

# DAILY REPORT

## Asia & Pacific

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NO 'SPECIAL WATCHDOG GROUP' TO MANILA ELECTIONS

OW050355 Tokyo KYODO in English 0344 GMT 5 Feb 86

[Text] Tokyo, Feb. 5 KYODO -- Japan will send no special watchdog group to the Philippines to see whether or not the presidential election there on Friday is fair, government spokesman Masaharu Gotoda said Wednesday. The election is an internal matter of the Philippines, Gotoda said. The chief cabinet secretary told reporters the Japanese Government is interested in the election but has no idea of doing anything in connection with it.

Meanwhile, two Foreign Ministry officials left for Manila Wednesday morning to join the 35-member embassy staff there in monitoring the presidential election, ministry officials said. They are experts on Philippine affairs. Apart from the government, a conservative member of the Diet left for Manila to observe the election. He is Kosuke Ito, Policy Board chairman of the New Liberal Club, which is the coalition partner of the Liberal-Democratic Party led by Prime Minister Yasuhiro Nakasone.

JOURNALIST SEEKS PHILIPPINE TRIP VIA HONG KONG

OW041313 Tokyo KYODO in English 1255 GMT 4 Feb 86

[Text] Narita, Chiba Prefecture, Feb. 4 KYODO -- Japanese journalist who claimed to have witnessed the 1983 shooting of Philippine opposition leader Benigno Aquino, Tuesday departed Narita for Hong Kong. Kiyoshi Wakamiya who tried to board a Japan Air Lines (JAL) flight to Manila earlier the day, was rejected by the airlines because the Philippine Government had earlier advised the company not to take him to Manila for security reasons. Wakamiya said Wednesday that he intended to go to the Philippines to cover Friday's presidential election.

GOTODA HAILS REAGAN'S STATE OF THE UNION ADDRESS

OW050325 Tokyo KYODO in English 0321 GMT 5 Feb 86

[Text] Tokyo, Feb. 5 KYODO -- U.S. President Ronald Reagan has shown strong confidence in his approach to problems looking forward to the next century, government spokesman Masaharu Gotoda said Wednesday. Gotoda was commenting on Reagan's State of the Union message he delivered to a joint session of Congress. Gotoda, chief cabinet secretary, took note of Reagan's resolve to continue space development efforts, fight trade protectionism and reduce financial deficits and also to promote a realistic approach toward the Soviet Union.

USSR FISHERY TALKS CONTINUE, PROPOSAL REJECTED

OW041321 Tokyo KYODO in English 1303 GMT 4 Feb 86

[Text] Tokyo, Feb. 4 KYODO -- Japan Monday rejected the Soviet Union's revised proposal that limits Japanese fishing within the Soviet 200-nautical miles area as being certain to cause a sharp drop in Japan's bottom fish catches, government sources said Tuesday. The new Soviet proposal, advanced Saturday at the ongoing bilateral fishery talks in Moscow, represents a slight revision of a proposal made late last year.

The original proposal called for a virtual ban on bottom fish catching in two areas -- one in the Pacific off the southern Kuriles, and the other east of Sakhalin.



The revised proposal would permit bottom fish hauling in part of the southern Kurile waters and abolish the no-fishing season for Pacific saury in these waters in exchange for Japanese permission for Soviet boats to use roundhaul nets in Japanese 200-mile waters, the sources said.

The Moscow talks are designed to fix catch quotas and other conditions for fishing in each other's 200-mile waters this year. Japan told the Soviet Union Monday that Japan's bottom fish catch, such as Alaska pollack and flatfish, would decline sharply under the Soviet proposal. Moreover, it said, the proposed relaxation of curbs on Soviet fishing in Japanese waters would deal too heavy a blow to Japanese fishermen.

The Soviet Union also asked Japan to allow Soviet fishing boats to call at Japanese ports. But Japan turned down the request on grounds that permission for such calls in the past did not lead directly to an increase in Soviet fish catches, the sources said.

#### USSR ACADEMY INVITES A-BOMB VICTIMS TO MEETING

OW041221 Tokyo KYODO in English 1215 GMT 4 Feb 86

[Text] Nagasaki, Feb. 4 KYODO -- Y.P. Velikhov, vice president of the Academies of Sciences of the Soviet Union, has sent an invitation to Japan's Council on the Atomic Bomb Victims here, requesting two victims to participate in a meeting for peace scheduled for May 27-29 in Moscow. The meeting is being held to seek for ways to maintain world peace.

Participants will include Nobel Peace Prize winners, specialists on nuclear issues and scientists from all over the world, council sources said. Council representative Senji Yamaguchi said that they will take this opportunity to relate what they suffered due to the bombing to the rest of the world.

#### FOREIGNERS DEMAND ACCESS TO PRESS CLUB BRIEFINGS

OW050107 Tokyo KYODO in English 0029 GMT 5 Feb 86

[Text] Tokyo, Feb. 5 KYODO -- Members of the Foreign Correspondents' Club of Japan (FCCJ) issued a notice Tuesday to government ministries, agencies and press clubs demanding access to news briefings for non-Japanese reporters. Citing a Japan newspaper association recommendation for foreign reporter participation in official briefings announced last September, FCCJ members are now urging government officials and press clubs to cooperate.

Foreign Minister Shintaro Abe has voiced support for an "open-door" policy in the press club system, membership of which is currently limited to Japan's establishment press reporters. Japanese Press Club representatives have pointed out that the problem also involves Japanese freelance and magazine journalists who are currently barred from joining. They claim that if briefings are opened up, space would be a major drawback. Moreover, they added that a large number of foreign reporters, the majority of whom must depend on translators, would add considerably to congestion at major clubs, including the Foreign Ministry's Kasumi Club.

The number of Japanese press clubs, set up in national and regional government offices as well as at police bureaus and major universities, is estimated at over 1,000 nationwide. Critics charge that the club system of government reporting, dating back to the first "Diet journalists club" formed in 1890, has resulted in subjective news coverage based on the official line, as well as identical news stories carried concurrently by all domestic newspapers and television networks.

SOUTH HIT FOR LINKING DPRK TO KIDNAPPING CASE

SK050341 Pyongyang Domestic Service in Korean 0000 GMT 5 Feb 86

[NODONG SINMUN 5 February commentary: "At Whom Are They Shaking Their Fists When They Have Been Slapped by Someone Else?"]

[Text] An incident took place in West Beirut on 31 January in which a secretary of the South Korean puppet embassy in Lebanon, named To Chae-sung, was kidnapped by unidentified people. Incidents such as bomb attacks on the aggressive U.S. institutions and kidnapping of U.S. aggressors frequently take place there. Funny enough, as soon as the kidnapping case took place, the South Korean puppets began to stage an anti-republic racket, linking the incident with us.

Raving that the North may have provoked the incident directly or indirectly as part of its operations to obstruct the upcoming Asian Games, the puppet clique attempted to shift the blame onto us for the kidnapping incident. However, no one is sympathetic with the puppets' absurd remarks. Meanwhile, as if to respond to the puppet clique's absurd remarks, a man who identified himself as belonging to the organization called Al-Mustadifin Ni al-'Alam telephoned the Lebanese TV Station, claiming that his group kidnapped the secretary of the South Korean puppets embassy.

In the meantime, men claiming to represent the organization called the Green Brigades demanded that \$10 million be paid by 10 February in return for the release of the kidnapped South Korean puppet embassy secretary, and warned that if the ransom is not paid by that date, they will take a violent step.

Frightened by this, the puppets are spending time in a state of anxiety, having locked the gate of the embassy. Despite such a situation, the puppet clique made absurd remarks, attempting to shift the blame onto us for the kidnapping case. This is another example of a mean act of the slanderers.

The puppets have been habitually linking some incidents at home and abroad with us, staging anticommunist and anti-North rackets. Whenever the people's anti-U.S. and anti-dictatorial struggle is stepped up in South Korea, they fabricated a so-called spy case, suppressing them by linking it with us. It is also well known to the world that, in an attempt to block the heightening anti-Chon Tu-hwan struggle among the overseas compatriots, they fabricated a case of international assassination attempt against puppet Chon Tu-hwan and staged anticommunist rackets, linking it with us.

The puppet clique's antirepublic racket taking advantage of the kidnapping case overseas is a copy of such a tactic. Hence, we must ask the puppets, "At whom are you shaking your fists when you have been slapped by someone else?"

The puppets' slander against us is an intentional racket of intrigue aimed at defaming our republic's international authority which has been increasing with each passing day and at restoring their prestige which has been lost because of the kidnapping case. It is also the product of their maneuvers to inspire confrontation among the South Korean people and to shift the blame onto us in case of some incident in South Korea or a strong resistance at home and abroad that may result in the frustration of the upcoming international athletic games. This is revealed by the fact that the puppets been raving, since the beginning of the new year, about someone's provocation to obstruct the hosting of the Asian Games and the Olympic Games and linked the kidnapping case with such raving.

Nevertheless, the South Korea puppets can never deceive the people with whatever tricky tactics they may employ. The puppet clique has been habitually engaging in war rackets, following the U.S. imperialists' policy of aggression and war and seeking division and confrontation at home, laying obstacles to the struggle of the peoples of the countries abroad for independence and sovereignty. The puppet Chon Tu-hwan clique should clearly know that it will gain nothing from the absurd anticommunist and antirepublic rackets and should call off all acts of hostility against us.

WPK SENDS MESSAGE TO CUBAN CP CONGRESS

SK040203 Pyongyang Domestic Service in Korean 1200 GMT 3 Feb 86

[Text] The WPK Central Committee has sent a congratulatory message to the Third Congress of the Cuban Communist Party [PCC]. The congratulatory message reads:

Havana;

To the Third PCC Congress:

The WPK Central Committee fervently congratulates the Third PCC Congress and, through the delegations and delegates to the congress, extends the militant greetings of all members of the WPK and the Korean people to all PCC members and the Cuban people. Your congress, which is of great significance in strengthening and developing the PCC and in the social and political life of the Cuban people, constitutes a meaningful event in summing up the social and economic changes in Cuba and in establishing a new milestone before the advancing Cuban revolution. In the past period your party has attained brilliant success in economic and national defense construction by grasping the strategic task set forth by the PCC Central Committee headed by esteemed Comrade Fidel Castro Ruz and by vigorously organizing and mobilizing the entire people to the struggle for its implementation.

The PCC and the Cuban people have actively struggled against the imperialists' policy of aggression, intervention, and war and for the preservation and consolidation of peace in the international arena, thus greatly contributing to world peace. Through its struggle the PCC has been further consolidated organizationally and ideologically and has become a powerful combat rank with ample experiences.

Our party and people highly appraise the fact that the PCC and people have attained brilliant success in safeguarding the socialist cause and in the revolution and construction in defiance of the difficult situation of directly confronting the U.S. imperialist. The WPK and Korean people will actively make all efforts to continuously strengthen and develop the comradely and fraternal relations of friendship and cooperation with the PCC and the Cuban people. We sincerely wish for an outstanding success in the work of the third congress of your party and, at the same time, for great victory in the future struggle of the PCC and the Cuban people for the implementation of the decision of the congress.

[Signed] The WPK Central Committee, 3 February 1986, Pyongyang

KIM IL-SONG'S ENVOY RETURNS FROM ABROAD

SK040433 Pyongyang KCNA in English 0425 GMT 4 Feb 86

[Text] Pyongyang February 4 (KCNA) -- Vice-Premier Chong Chun-ki, special envoy of President Kim Il-song, returned home on February 3 by plane after attending the inaugural ceremony of J.S. Momoh, president of the Republic of Sierra Leone. He was met at the airport by Vice-Premier Kim Pok-sin, Vice-Minister of Foreign Affairs Kim Yong-sop and Minister-Councillor of the Soviet Embassy in Pyongyang Boris Morozov.



SEOUL STUDENTS HOLD ANTIGOVERNMENT DEMONSTRATIONS

SK050511 Pyongyang KCNA in English 0507 GMT 5 Feb 86

[Text] Pyongyang February 5 (KCNA) -- More than 1,000 students of nine universities in Seoul including Seoul, Yonsei and Koryo Universities rose in an anti-"government" struggle on February 4, according to a radio report from Seoul. The students gathered at the entrance to the library of Seoul University to hold a "meeting of the national federation of students for new year's struggle."

The fascist clique hurled more than 2,000 riot police on to the campus in a crackdown to disperse the students' peaceful anti-"government" meeting. The students forced the meeting, ignoring the repeated demand of the police to break up.

Enraged at the brutal suppression by the puppet police, the students went over to a demonstration, throwing flame bottles and stones at them and brandishing square sticks. Their fierce struggle continued nearly four hours.

KANGWON PEOPLE SUPPORT SOVIET PEACE PROPOSAL

SK050523 Pyongyang KCNA in English 0509 GMT 5 Feb 86

[Text] Pyongyang February 5 (KCNA) -- A Kangwon provincial mass meeting supporting the new peace proposal of the Soviet Union for the complete removal of nuclear weapons was held on February 4. The meeting was addressed by Choe Pok-yon, chairman of the Administration and Economic Guidance Committee of Kangwon Province, and Nikolay Shubnikov, Soviet ambassador to Korea. Choe Pok-yon recalled that Comrade Mikhail Sergeyevich Gorbachev in his statement January 15 made public a package program extending three months the unilateral moratorium on nuclear explosion and banning the space strike weapons in 15 years to come and removing the nuclear weapons on the global scale. The new proposal of the Soviet Union is a very important peace proposal for saving the world from the threat of nuclear conflict and arms race, he said. The working people of Kangwon Province, he declared, highly appreciate the new peace proposal of the Soviet Union which is imbued with noble intention to defend world peace and actively support it.

Recalling that the Soviet Union has in recent years taken a series of new initiatives to prevent the militarisation of space, stop the nuclear arms race and ease the strained international situation, and is making active efforts to carry them into practice, he continued:

The new peace proposal of the Soviet Union and its consistent efforts to defend peace are greatly conducive to the cause of world peace. Pointing out that the U.S. imperialists have introduced into South Korea a large quantity of mass destruction weapons including more than 1,000 pieces of nuclear weapons and are stepping up preparations for another war today, he demanded that the United States take without delay a step to withdraw nuclear weapons and its troops from South Korea in conformity with the spirit of the agreement reached at the Soviet-U.S. Summit.

Nikolay Shubnikov said in his speech: This peace proposal of the Soviet Union is a token of the foreign policy of the Soviet state and the earnest desire of the Soviet people to live in peace with all peoples of the world.



The Soviet Union, he stated, believes that the constructive proposals advanced by the Democratic People's Republic of Korea are a good foundation in creating favourable conditions for solving the Korean question in a peaceful way and reunifying the country on a democratic basis. The United States and the South Korean "regime" should respond to the just decision of the DPRK Government to stop large-scale military exercises in the whole territory of the northern half of the republic from February 1, 1986 and suspend all military exercises while North-South dialogue is on. We, he said, support the proposal for founding the Democratic Federal Republic of Koryo and the proposal for developing the North-South dialogue advanced by Comrade Kim Il-song. He declared that the Soviet party and people will always remain on the side of the Korean people in the struggle for national reunification.

The chairman of the Kangwon Provincial Committee of the General Federation of Trade Unions and the chairman of the Kangwon Provincial Committee of the League of Socialist Working Youth also took the floor.

#### NODONG SINMUN ON TECHNOLOGICAL REVOLUTION

SK031309 Pyongyang Domestic Service in Korean 2120 GMT 1 Feb 86

[NODONG SINMUN 2 February special article: "Technological Revolution Is an Important Strategic Line of the Party"]

[Text] The great leader Comrade Kim Il-song, in his new year's address, put forth the militant task of carrying out the technological revolution as the important strategic line of the party. The great leader Comrade Kim Il-song has taught: All party organizations must adhere to the technological revolution by regarding it as the important strategic line of the party and must vigorously organize and mobilize scientists, technicians, and the working people of broad strata in order to carry it out.

The technological revolution is one in which more material wealth is produced with less work by replacing the old technology with the new. The technological revolution is regarded as the strategic line of the party because it is the important economic task which should be persistently carried out for the promotion of the production capacities as well as for the establishment of the material and technological foundations of socialism and communism and the improvement of the people's standard of living. Without the technological revolution, the economy cannot be developed to a new high stage, and the task of improving the people's standard of living and nourishing the strength of the country cannot be successfully accomplished. Thus, how the technological revolution is carried out is a fundamental condition for the economic development of the country.

The technological revolution is the important strategic line of the party. This is because of its goal and nature. In a socialist society, the goal of the technological revolution is, first of all, to ceaselessly promote the people's material welfare through the development of production capacities. This shows that the technological revolution lies in the work to provide affluent and civilized material living conditions to enable the working people to lead independent and creative lives. In a socialist society, the second goal of the technological revolution is to free the working people from the hardships of labor. This shows that the technological revolution lies in the work to provide independent and creative working conditions for the working people. The technological revolution makes it possible to attain these two goals in a uniform way. In a socialist society, the essence of the technological revolution is defined by these goals. The essence of the technological revolution is to eliminate the intrinsic labor gaps and to free the working people from the hardships of labor.

For the achievement of the independence of the masses of people, it is, of course, important to liquidate the old system of exploitation and establish an advanced socialist system. However, for the achievement of the complete independence of the masses of people, in addition to this, the working people freed from exploitation and oppression should be also freed from the hardships of labor.

Even after they have been freed from exploitation and oppression through victory in the socialist revolution, the intrinsic labor gaps and the hardships of labor still remain for the working people. Intrinsic labor gaps are the gaps between heavy and light labor, industrial and agricultural labor, and physical and mental labor. The hardships of labor also vary. As long as intrinsic labor gaps and the hardships of labor remain, a complete social equality cannot be achieved, and independent and creative lives cannot be lead fully.

In order to eliminate the intrinsic labor gaps and to free the working people from the hardships of labor, working conditions should be improved and labor gaps should be eliminated. To this end, the technological revolution should be carried out. Only when the hardships of labor are eliminated through the technological revolution, can the working people be freed from the hardships found in nature.

The technological revolution is also regarded as the important strategic line of the party because it is an essential precondition for establishing the material and technological foundation of socialism and communism. The material and technological foundation of socialism and communism is a synthesis of modern technological means to guarantee the independent activities of the working people and their economic lives.

The important trait of the material and technological foundation of socialism is, above all, the labor and technological means, which have reached a high stage. The modernization and development of labor and technological means are an essential demand arising from the necessity of the material and technological foundation of socialism and communism.

Another important trait of the material and technological foundation of socialism lies in its complete sectional structures. A harmonious technological and structural relationship of the labor methods within a sector of the people's economy or between the sectors is an important demand to establish the material and technological foundation of socialism. Only when the technological revolution is vigorously carried out, can these principled demands arising from the establishment of the material and technological foundation of socialism and communism be properly met. This shows that the technological revolution is the strategic task which should be adhered to in accelerating the economic development of the country and enabling the people to lead independent economic lives.

Regarding technological revolution as a strategic line is even more important in our country, which has not gone through the normal course of the development of the capitalist industry. Ever since it took power and began to build a new society, our party has carried out the technological revolution as the important strategic task. As victory was won in the democratic and socialist revolution and as subjective and objective conditions were provided, our party put forth the task of industrialization and comprehensive technological revolution and accomplished it brilliantly. Subsequently, it organized and mobilized the masses of people to carry out the three technological revolutions to gradually eliminated the hardships of labor in all sectors of the people's economy.



As a result based on the achievements won in the technological improvement of the people's economy, the work of narrowing the gap between heavy and light labor, drastically narrowing the gap between agricultural and industrial labor, and relieving women from the burden of household chores have been accelerated at a high speed.

As socialist construction deepens, the need to develop the technological revolution to an even higher stage has become even more urgent. Our party's intent for the chuche-ization, modernization and scientization of the people's economy is a reflection of the demand to develop technological revolution to a new, higher stage. Today, in our country, technological revolution is accelerated at an unprecedentedly high speed, and has become a main element of economic development. Under these circumstances, only through a vigorous technological revolution, can we successfully carry out economic construction, catch up with the world economy, which is developing rapidly on the basis of modern science and technology, and strengthening the material and technological foundation of socialism and communism.

Based on the great production and technological potential, the sectors and units of the people's economy must carry out the technological revolution more persistently.

Scientists and technicians are the main force in carrying out the technological revolution. Today, our party holds unprecedentedly great expectations in scientists and technicians. Therefore, with the boundless loyalty to the party and with revolutionary zeal, they must rapidly develop the science and technology of the country in accordance with the trend of the economic development of the world and must devote all their talents and wisdom to equip the economy of the country with modern science and technology.

Our revolutionary working class and working people are the masters of the technological revolution. Many valuable technological inventions and suggestions are produced through the collective wisdom of the workers. Therefore, in implementing the technological revolution, the sectors of the people's economy must boldly carry out the work to enhance the responsibilities and roles of the workers and value and encourage their inventions and suggestions.

Creative cooperation between technicians and workers should be strengthened, and the masses of broad strata should be made to actively participate in the technological innovation movement. This is an unchanging policy of our party. All sectors must combine knowledge of scientists and the experiences of workers and responsibly organize and carry out the work to vigorously wage the popular technological innovation movement. In particular, plants and enterprises must firmly organize 15 April technological innovation shock brigades and vigorously carry out the movement to create modern technological innovation plants.

We must also systematically organize the work to swiftly grasp the trend of the scientific and technological development of the world and introduce the needed science and technology into our production.

At the same time, for the successful implementation of technological revolution, administrative work should be properly conducted in the area of science and technology. To this end, the foundations and roles of the administrative organizations in the area of science and technology should be enhanced in order to work out correct scientific and technological development plans and swiftly introduce the successes in scientific and technological research into production. Historically, our people and scientists and technicians have implemented whatever lines and policies put forth by the party. As in the past, we must loyally uphold the leadership of the party and win miraculous achievements in the implementation of the line of the technological revolution.

NODONG SINMUN ON DEVELOPMENT OF LIGHT INDUSTRY

SK031200 Pyongyang Domestic Service in Korean 0000 GMT 3 Feb 86

[NODONG SINMUN 3 February editorial: "Let Us Concentrate Great Efforts on the Development of the Light Industry"]

[Text] One of the important questions in conducting this year's struggle while upholding the new year's address of the great leader Comrade Kim Il-song is to concentrate great efforts on the development of the light industry.

The great leader Comrade Kim Il-song has taught: This year and for several years to come, we should decisively increase the production of the people's consumer goods by concentrating great efforts on the development of the light industry and make the people's lives more affluent and well off by more quickly increasing agricultural and fishery production. Constantly improving the people's standard of living is the supreme principle of our party's activities and work, on which it consistently concentrates efforts.

Under the wise leadership of our party, the people's standard of living has been elevated onto a higher stage with each passing day in our country. As a result, the people's demand for consumer goods has rapidly increased. Only when the light industrial revolution is launched and various kinds of good-quality people's consumer goods are produced, by concentrating great efforts on the development of the light industry in compliance with the demand, can the endlessly growing demand of workers in their lives be smoothly met.

Proceeding from this realistic demand, our party has put forward as an important task increasing the production of the people's consumer goods by concentrating great efforts on the development of the light industry this year and for several years to come.

It is important, at present, in increasing the production of the people's consumer goods by concentrating great efforts on the development of the light industry, to operate the light industrial plants at full capacity. At present, the production capacity of the light industries built in our country is very great.

Great progress should be made in the field of science, the coal industry, and transportation to epochally increase the production of the people's consumer goods by operating the light industrial plants at full capacity.

Renovation should be enacted, first of all, in the field of chemistry. The chemical industry takes care of most of the raw materials for light industrial goods. Unless the chemical industry functions well, the light industrial revolution cannot be launched. Only when the chemical industry sufficiently ensures the production of synthetic resins, including vinalon and staple fiber, and various other kinds of chemical products can light industrial plants normalize production at a high level.

With heightened sense of responsibility, the functionaries and workers in the field of chemistry should plan and coordinate better the organization and command of production, thus ensuring in a timely manner the production of various kinds of light industrial raw materials, including chemical fibers, synthetic resins, and fundamental chemical products, so that light industrial plants can have sufficient reserves. In particular, the functionaries and workers of the 8 February vinalon complex, the Chongjin chemical fibers complex, the Sinuiju chemical fibers complex, and medium- and small-size chemical plants should fulfill their assigned responsibilities.



Along with the chemical industry, the overall heavy industry should help the light industry well. The heavy industry is assigned an important task of always helping the light industry well. The functionaries in the mining, metallurgical, power, and machine industrial fields, and other fields concerned should preferentially produce more and supply raw materials, fuel, and power needed for the light industry in conformity with the party's demand for giving priority to the light industry and supplying electricity and coal first to chemical plants.

In addition, the field of railway transport should transport in a timely manner coal, raw materials, and resources needed for chemical and light industrial plants. Along with this, the functionaries in the sectors concerned of the State Administration Council and the State Planning Committee should carry out the organizational work of securing light industrial raw materials which are not produced or are insufficient in our country. There is much work that should be carried out this year for the development of the light industry. The State Administration Council and the sectors concerned should concentrate particularly great efforts on the construction of the Sunchon vinalon plant and dynamically push ahead with the work of enhancing the bases or raw materials for the light industry and material and technological foundations.

The masters should fulfill their responsibility and fully play their role to effect renovation in the production of the people's consumer goods. Masters in increasing the production of the people's consumer goods, by launching the light industrial revolution, are functionaries and workers in the field of the light industry. Functionaries in this field should deeply recognize their grave responsibility for improving the people's standard of living and powerfully struggle to decisively increase the production of the people's consumer goods. A basic way for doing this lies in the struggle of each general bureau, company, plant, and enterprise in the field to advance on its own, by finding and mobilizing raw materials and resources by itself. Experience shows that, if the time when conditions are guaranteed is awaited, no success can be attained in any work.

The functionaries and workers in the field of the light industry should provide production conditions and mobilize inner reserves with their own labor forces by giving play to the revolutionary spirit of self-reliance and fortitude, thereby always carrying out the assigned production tasks without fail. The local industry takes a big share in producing the people's consumer goods in our country. An important purpose of our party's rapid development of local industry was to mobilize and utilize local raw materials in producing the people's consumer goods. The local industry should unreservedly mobilize local raw materials and resources by avoiding dependence on the central industry, by building better its own bases of raw materials, and by correctly establishing the procurement system, thus producing more good-quality processed food-stuffs and daily necessities.

Furthermore, plants and enterprises in many fields of the national economy should operate well workshops and teams for daily necessities and widely organize home work teams to further increase the 3 August people's consumer goods. The role of guiding functionaries is important in making the most of production capabilities and launching the light industrial revolution. Our party has provided various conditions to functionaries of complexes so that they can strengthen the spirit of creativity and increase a sense of responsibility. Therefore, how well plants and enterprises in the field of the light industry utilize the existing production capabilities totally depends on the organizational ability of guiding functionaries and the level of enterprise management.

The guiding functionaries in this field should deeply recognize the importance of their positions and duties under realistic conditions, mobilize the masses well as demanded by the Taaen work system, correctly establish the enterprise management system, and manage the enterprise in a scientific and reasonable manner. In particular, functionaries should vigorously push ahead with production by mapping out a realistic plan and assiduously conducting interlocking work, thus making production always normal at a high level.

There are not a few questions that should be resolved in a scientific and technological manner in order to launch the light industrial revolution by concentrating efforts on the development of the light industry. The scientists and engineers in this field should make it possible to increase the quality of light industrial goods by concentrating efforts on scientific research work and technical innovation, and to produce more useful goods with as few raw materials and resources as possible. From the firm church-oriented standpoint, the scientists and engineers should actively carry out the research work of producing good-quality light industrial goods on a large scale with abundant raw materials and resources in our country, such as vinalon.

Along with this, the production processing of light industrial plants should be actively modernized to increase production capabilities and further improve the quality of products.

Concentrating efforts on the development of the light industry is, at present, an important demand of our party. Only when renovation is effected in the field of the light industry, as intended by the party, can our people's standard of living become more affluent and civilized, the revolutionary zeal of workers, who have turned out while upholding the militant appeal of the party, be further increased, and greater success be attained on all fronts of socialist construction.

#### SO YUN SOK ATTENDS RALLY AT PYONGYANG POWER PLANT

SK030358 Pyongyang Domestic Service in Korean 2200 GMT 1 Feb 86

[Excerpt] From the first day of the new year, the working class and the three revolutions team members of the Pyongyang thermal power plant effected a new renovation in the production of electricity by fiercely fanning the flames of the creation of the speed of the eighties, upholding the militant tasks assigned by the great leader Comrade Kim Il-song in his new year's address and the party's intention. As of 30 January, they carried out the January plan for the production of electricity by 101.3 percent. With this spirit, they are continuously effecting renovation and advancing. The great leader Comrade Kim Il-song highly assessed the fact that the workers, engineers, technicians, office workers, and three revolutions team members were normalizing the production of electricity at a high level with endless loyalty to the party, and taught them to produce more electricity by thoroughly establishing the system of equipment maintenance and managing equipment well and, thus, by operating all power-generating equipment at full capacity. Dear Comrade Kim Chong-il bestowed great political trust on the workers, engineers, office workers, and three revolutions team members of the Pyongyang thermal power plant who produce electricity well. With the glory of enjoying the party's high assessment, the working class and the three revolutions team members of the Pyongyang thermal power plant are resolved to effect a new upsurge in producing electricity, enveloped in great touching emotions and excitement.

On 31 January, a rally of the employees of the Pyongyang thermal power plant was held at the plant to thoroughly implement the 30 January 1986 teachings of the great leader Comrade Kim Il-song. Participating in the rally were Comrade So Yun-sok, member of the WPK Central Committee Political Bureau, responsible secretary of the Pyongyang municipal party committee, and chairman of the Pyongyang Municipal People's Committee; and employees and three revolutions team members of the Pyongyang thermal power plant.

EMBASSY CONTACTS LEBANESE LEADERS ON KIDNAPPING

SK050028 Seoul THE KOREA TIMES in English 5 Feb 86 p 1

[Text] The Korean Embassy in Beirut is contacting leaders of the Lebanese Government and various religious factions in efforts to secure the early release of To Chae-sung, a Korean diplomat kidnapped last week. According to Foreign Ministry, Ambassador Kim Hyon-chin received a telephone call yesterday from Nabih Birri, minister of Justice and Water and Electricity, in which the influential Shiite Muslim assured help.

Minister Birri expressed regrets about the kidnapping of the Korean diplomat and promised full support for the early settlement of the case according to a report reaching the Foreign Ministry. The embassy had earlier received such assurances of assistance from Prime Minister Rashid Karami, a strong Sunni Muslim leader who concurrently is the foreign minister.

Minister officials discussed how to secure the early and safe release of To in a meeting presided over by Foreign Minister Yi Won-kyong. Officials who had attended the meeting said that efforts were going to be directed at determining the nature of the "Fighting Revolutionary Cells," which is believed to be holding the diplomat.

FOREIGN MINISTER, DJP OFFICIALS ON '86 DIPLOMACY

SK010015 Seoul THE KOREA TIMES in English 1 Feb 86 p 1

[Text] The Foreign Ministry plans to establish a "diplomacy consultative council" made up of experts from all walks of life, Foreign Minister Yi Won-kyong said yesterday. He said that the projected council will study and discuss major diplomatic problems, and will advise the government about the issues. Yi was briefing lawmakers of the ruling Democratic Justice Party assigned to the Foreign Affairs Committee of the National Assembly on the office's policy programs of this year. He also said that his ministry will concentrate on strengthening trade diplomacy to find new markets in China and East European countries.

In the policy coordination meeting, the minister told the DJP lawmakers that efforts will be made to increase emigration to the United States, Canada, Africa and Latin American nations throughout the year. Rep. Kim Hak-chun recommended that the ministry publish something like "diplomatic bulletins" which developed countries issue to officially express their diplomatic policies.

Minister Yi said that he would have the Institute for Foreign Affairs and National Security study the recommendation. Rep. Choe Pyong-yul urged the ministry to simplify the reception procedures for foreign guests visiting the country so as not to cause inconvenience to citizens. Minister Yi said that his ministry is consulting with the Ministry of Government Administration on a plan to have foreign guests coming by special flights use airports other than Kimp'o International Airport.

Rep. Pong Tu-wan, chairman of the Foreign Affairs Committee, called upon the ministry to launch "active diplomacy" to help settle peace on the Korean peninsula. He said that now is the time when the government should draw up a blueprint of far-sighted diplomacy, breaking from the past practice of resorting to shortlived policies designed to solve newly emerging problems.



POLICE ENTER SNU CAMPUS TO DISBAND RALLY

SK050154 Seoul THE KOREA HERALD in English 5 Feb 86 p 8

[Text] More than 3,000 riot policemen stormed into the Seoul National University campus yesterday afternoon to disband a violent rally by about 1,000 students from nine Seoul universities. The students from Seoul National, Korea, Yonsei, Songgyungwan, Ewha Woman's and four other universities who were holding the "1986 Chonhangnyon rally" attacked the riot police with wooden bars, stones and Molotov cocktails for about 40 minutes. Chonhangnyon, or National Federation of Student Associations is an organization of student activists. Police, who fired tear gas shells while entering the campus around 3:20 p.m. through SNU's main and rear gates, led away about 200 rally participants for questioning.

Yi Yong-chang, director of the Seoul Metropolitan Police Bureau, explained that police forces moved into the campus at the request of the school authorities. He said police action was inevitable in order to prevent the campus from becoming tainted by some student radicals and to maintain an academic atmosphere on campus. It was the first encounter between riot police and students inside a campus during a vacation period since the campus autonomy system was introduced in 1983.

The rally, opened around noon, at a plaza near the school library, was presided over by seven student activists wanted by police. They included O Su-chin, 24, chairman of Chonhangnyon and former student council leader of Songgyungwan University and So Won-son, 23, a senior of Yonsei University who is also the vice chairman of radical student group called Sammintu. The police raid which started around 3:20 p.m. was also aimed at apprehending the wanted students. During the rally, the students decided to collect signatures at school campuses from next Tuesday and along the streets from Feb. 16 to demand a revision to the Constitution.

Police Chief Comments

SK050048 Seoul THE KOREA HERALD in English 5 Feb 86 p 8

[Text] The nation's top police officer made it clear yesterday that police will enter college campuses to quell any politically motivated illegal rallies. Kang Min-chang, chief of the National Police Headquarters, also warned that police will crack down on persons who attempt to gather signatures for constitutional revision. He told reporters that riot police will enter campuses at any time, without the request of school authorities involved, to crush "politically motivated" rallies and demonstrations, although they may be peaceful. It was under this policy, he said, that about 3,000 riot police officers entered the Seoul National University campus yesterday afternoon. The NPH director said the police took the action at the request of the university authorities. However, he said, police will act unilaterally when it is found necessary to scatter demonstrators. To date, Kang said, police have tended to only enter campuses to put down violent demonstrations in which students used fire bombs and rocks. Those who solicit signatures for constitutional amendments in the streets will be sternly dealt with, he said. Earlier, the prosecution had hinted at a get-tough stance against any sign-in activities for revisions to the nation's basic law.

Saying that social stability is acutely needed this year as the nation will host the Asian Games and a large number of foreigners are expected to visit the country, Kang said student rallies and other sources of social unrest will be quelled at an early stage to maintain social peace and stability.



MONTSAME COMMENTS ON U.S. CHALLENGER DISASTER

OW040450 Ulaanbaatar MONTSAME in English 1710 GMT 3 Feb 86

[Text] Ulaanbaatar, February 3 (MONTSAME) -- A MONTSAME commentator writes: The tragic accident with the U.S. spaceship "Challenger" has taken place against the gloomy background of preparations for "Star Wars". Shocked by the death of seven astronauts including women, the Mongolian public focuses its attention on the fact that American shuttle spacecrafts were developed and are being used in a haste, mainly in the interests of the Pentagon.

This largest accident in the history of space flights shows how fatal can be a blind reliance on the computer technology. And the plans of militarizing outer space and deploying there strike space weapons are based on the confidence in the omnipotence of electronic brains at military command centres. People still remember how a computer system went off in a false alarm signalling an alleged nuclear attack on the United States. In the conditions of the current space armaments race, similar error would be fraught with the most fatal consequences.

The ashes of American astronauts strewn over the ocean by the explosion, urge the U.S. Administration to heed the warnings by American scientists and experts to the effect that the setting up of a U.S. global space system and the achievement of military superiority over socialist countries are impossible.

FOREIGN MINISTER MEETS SRV, LAO AMBASSADORS

OW310827 Ulaanbaatar MONTSAME in Russian 1510 GMT 28 Jan 86

[Text] Ulaanbaatar, 28 Jan (MONTSAME) -- M. Dugersuren, MPR minister of foreign affairs, today received Khankeng Saignakeo, LPDR Ambassador to the MPR, and Tran Chung, SRV ambassador to the MPR, at their request.

During the meeting, the ambassadors gave a detailed account of the results of the 12th regular conference of the foreign ministers of the LPDR, SRV, and PRK held recently in Vientiane and of the conference communique.

M. Dugersuren expressed our party and government's full support for the constructive and businesslike proposals made at the foreign ministers conference of the three fraternal countries of Indochina. He noted that in the joint Mongolian-Soviet statement adopted at the conclusion of the official and friendly visit to the MPR by E.A. Shevardnadze, member of the Politburo of the CPSU Central Committee and USSR minister of foreign affairs, both sides fully supported the proposals of Vietnam, Laos, and Cambodia for improving the situation in Southeast Asia and establishing good-neighborly relations with ASEAN the countries.

MPRP DELEGATION LEAVES FOR CUBAN CONGRESS

OW030235 Ulaanbaatar MONTSAME in Russian 1554 GMT 31 Jan 86

[Text] Ulaanbaatar, 31 Jan (MONTSAME) -- (?B. Altangerel), member of the MPRP Central Committee Politburo and first secretary of the Ulaanbaatar City MPRP Committee, has left here for Havana at the head of an MPRP delegation to take part in the work of the third congress of the Communist Party of Cuba at the invitation of the Communist Party of Cuba Central Committee.

The delegation was seen off by B. Dejid, member of the MPRP Central Committee Politburo and chairman of the Party Control Committee of the MPRP Central Committee; (?L. Rinchin), chief of an MPRP Central Committee department, and other officials, as well as [words indistinct].

FURTHER ON 10TH SESSION OF NATIONAL ASSEMBLY

## 1st Day Afternoon Meeting

BK041430 Phnom Penh Domestic Service in Cambodian 1300 GMT 4 Feb 86

[Text] On the afternoon of this first day, starting at 1400, the 10th session of the first National Assembly of the PRK continued its work in accordance with the agenda.

Members of the National Assembly attentively listened to a report on the implementation of the 1985 state plans and the draft of state plans for 1986 read by Comrade Chea Soth, member of the Political Bureau of the party Central Committee, vice chairman of the Council of Ministers, planning minister, and assembly member from Kandal; a report by the Council of Ministers on amendments to Article 12 of the Constitution on the composition of the national economy read by Comrade Hun Sen, member of the Political Bureau of the party Central Committee, chairman of the Council of Ministers, foreign minister, and assembly member from Kompong Cham; a report by the Council of State on the request for ratification by the National Assembly of the nomination of Comrade Sin Song as minister of the State Affairs Control ministry; a report by the Council of State on the elections of assembly members for the second term; and a report on the request for National Assembly ratification of the treaty on delimiting the border between the PRK and the SRV read by Comrade Chan Ven, general secretary of the Council of State.

The session adjourned at 1700 and will continue its work on the morning of 5 February.

## 2d Day Activities

BK050540 Phnom Penh Domestic Service in Cambodian 0430 GMT 5 Feb 86

[Text] The 10th session of the PRK's 1st National Assembly resumed its work as scheduled at 0700 on 5 February. All National Assembly members attentively and thoroughly heard the proposal read by Comrade Heng Samrin, general secretary of the KPRP Central Committee, chairman of the Council of State, and deputy from the Phnom Penh constituency, calling on the National Assembly to elect the chairman of the People's Supreme Court and the prosecutor general attached to the People's Supreme Court; the border delineation treaty between the PRK and the SRV read by Comrade Dit Munti, deputy minister of foreign affairs; explanations of the National Assembly's Legislative Committee on how to extend the National Assembly's first term, of the letter of ratification regarding the appointment of Comrade Sin Song as minister of state affairs inspection, and of the resolution amending Article 12 of the Constitution dealing with the composition of the national economy read by Comrade Vandí Ka-On, member of the Council of State, deputy secretary general of the KUFNCD National Council, and deputy of the Battambang constituency; explanations of the financial, planning, and budget committee of the National Assembly on how to ratify the balance of the 1984 state budget, the resolution on the report on the situation concerning the implementation of financial and budgetary work in 1985, the draft budget for 1986, and the resolution on the 1986 state plan read by Comrade Men Chhan, member of the Council of State, vice chairman of the KUFNCD National Council, and deputy from the Kompong Cham constituency; and an explanation of the Cultural and Social Committee of the National Assembly read by Comrade Som Kimsuor, member of the KPRP Central Committee, editor in chief of PRACHEACHON, and deputy from the Kampot constituency.

The session recessed at 1130 and will resume its work this afternoon.

INDOCHINESE COMMUNIST PARTY ANNIVERSARY MARKED

## Leaders Attend Meeting

BK030604 Phnom Penh Domestic Service in Cambodian 0430 GMT 3 Feb 86

[Text] On the morning of 3 February at the Bassak front festival hall, the KUFNCD National Council solemnly organized a meeting to mark the 56th anniversary of the founding of the Indochinese Communist Party and the 7th anniversary of the signing of the treaty of peace, friendship, and cooperation between Cambodia and Vietnam.

Presiding over the meeting were, among others, Comrade Chea Soth, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and planning minister; Comrade Mat Ly, member of the party Central Committee Political Bureau, vice chairman of the National Assembly, and chairman of the Kampuchean Federation of Trade Unions; Comrade Kong Korm, member of the party Central Committee and first deputy foreign minister; Comrade Koy Buntha, member of the party Central Committee, deputy defense minister, and chief of staff of the KPRAF; Comrade Ngo Dien, ambassador extraordinary and plenipotentiary of the SRV to the PRK; and Comrade Pheli Khounlaleuk, ambassador extraordinary and plenipotentiary of the LPDR to the PRK.

Also honoring the meeting were leading comrades from state institutions, the front, mass organizations, cadres, party members, core groups, youth union, and various central ministries, services, and units in the capital, and representatives from the armed forces, the clergy, intellectuals, and ethnic minorities. Comrade ambassadors, charges d'affaires, and representatives of various friendly embassies accredited to Cambodia were also present.

Comrade Chea Soth gave a speech retracing in detail the history of the founding of the Indochinese Communist Party, which is the original source of the three parties -- the KPRP, the CPV, and the LPRP. The comrade went on to say that having a common source, the Cambodian and Vietnamese parties have firmly preserved their close relations, have cooperated and provided mutual assistance, struggled against common enemies, and scored successive victories for the revolution until final victory.

Comrade Chea Soth also talked about the assistance of the Vietnamese party, people, and army for the cause of the Cambodian revolution, which was the source of the brilliant historic victory on 7 January of the Cambodian people. The signing of the treaty of peace, friendship, and cooperation between Cambodia and Vietnam, and more recently the signing of the treaty delimiting the border between the PRK and the SRV, are symbols of the determination of the parties, governments, and peoples of the two countries to firmly build longlasting Cambodia-Vietnam relations.

## Chea Soth Speaks

BK031329 Phnom Penh SPK in English 1232 GMT 3 Feb 86

[Text] Phnom Penh SPK February 3 -- A grand meeting was held in Phnom Penh Monday morning to observe the 56th anniversary of the Indochinese Communist Party [ICP] and the seventh anniversary of the Kampuchea-Vietnam Treaty of Peace, Friendship and Cooperation signed on Feb. 18, 1979.



Present on the presidium were Chea Soth, Politburo member of the Central Committee of the People's Revolutionary Party of Kampuchea, vice premier and minister of planning; Mat Ly, Politburo member of the party Central Committee, president of the Kampuchea Federation of Trade Unions; Kong Korm, member of the party Central Committee, first deputy foreign minister, Koy Buntha, member of the party Central Committee and deputy defence minister, Thong Qhon, alternate member of the party Central Committee and mayor of Phnom Penh; Ros Chhun, alternate member of the party Central Committee and general secretary of the National Council of the United Front for Construction and Defence of the Kampuchean Fatherland. Vietnamese ambassador Ngo Dien, Lao ambassador Pheli Khounlaleuk and other representatives of diplomatic corps were also present.

Addressing the meeting, Chea Soth recalled the birth of the Indochinese Communist Party, the first, genuine Marxist-Leninist party in Indochina founded on February 3, 1930 by Ho Chi Minh to lead the three Indochinese peoples in the struggle against the common enemy. He further said that February 3, 1930 was a historic date marking the establishment of the special friendship and solidarity between the peoples of Kampuchea and Vietnam under the banner of a working-class party of authentic Marxism-Leninism and proletarian internationalism.

The ICP, Chea Soth went on, led the three Indochinese peoples in the struggle for national liberation and opened a new era. The movement for national liberation and independence further strengthened and developed and sent the French colonialists from one setback to another.

Chea Soth recalled the historical circumstances which called for the setting up of the Khmer People's Revolutionary Party, now the People's Revolutionary Party of Kampuchea, on June 28, 1951 and of the Lao People's Revolutionary Party, on March 22, 1955.

He noted that the parties of Kampuchea and Vietnam, inspired by their common origin, remained united in their friendship, solidarity, cooperation and mutual assistance on the basis of equality and mutual trust. This unity, he said, makes it possible for the Armed Forces of Kampuchea and Vietnam to follow up the tradition of fighting in the same trench, of sharing weal and woe. This militant solidarity, based on proletarian internationalism, was a factor contributing to the victory over French colonialism in 1954 and the victory over U.S. imperialism in 1975, Chea Soth stressed.

Chea Soth continued: "The founding of the Indochinese Communist Party, the victory of the August revolution and the setting up of the Democratic Republic of Vietnam, the first worker-peasant state in Southeast Asia, created favourable conditions for the Kampuchean revolution". "In effect", he said, the victory of Jan. 7, 1979 was a milestone of the traditional solidarity between the two countries which dates back to the founding of the Indochinese Communist Party in February 3, 1930. The success recorded by the Kampuchean revolution over the past seven years in defending the revolutionary gains and normalising the people's life is inseparable from the immense, disinterested assistance of the fraternal party, army and people of Vietnam".

Chea Soth expressed his joy at the constant development of Kampuchea's relations with Vietnam and Laos over the past seven years, on the basis of Marxism-Leninism and proletarian internationalism. "The communists and the people of Kampuchea deeply thank President Ho Chi Minh, founder of the Indochinese Communist Party, who set to our generation brilliant examples of patriotism, proletarian internationalism and love of the party and the fatherland," concluded Chea Soth.



SPK ON SHEVARDNADZE MEETING WITH PRK AMBASSADOR

BK030616 Phnom Penh SPK in French 0445 GMT 3 Feb 86

[Text] Phnom Penh, 3 Feb (SPK) -- S. Shevardnadze, member of the CPSU Central Committee Politburo and foreign minister, received Hor Nam Hong, Cambodian ambassador to the USSR, on 31 January.

The Cambodian ambassador declared that the KPRP and the PRK totally support the new Soviet initiatives put forward in the declaration of General Secretary M.S. Gorbachev. This declaration is an important contribution to long-lasting peace, security, and stability for all peoples throughout the world, he said.

S. Shevardnadze stressed the principled position of the USSR concerning a political solution of the problems in Southeast Asia and his support for the new constructive proposals by the three Indochinese countries during the 12th ministerial conference of Laos, Vietnam, and Cambodia.

USSR MERCHANT MARINE MINISTRY DELEGATION ARRIVES

BK020539 Phnom Penh SPK in English 1107 GMT 1 Feb 86

[Text] Phnom Penh SPK February 1 -- A delegation of the Merchant Marine Ministry of the USSR led by Deputy Minister Trounov Boris Pavlovich, arrived in Phnom Penh Thursday [1 February] for an official friendship visit to Kampuchea.

The delegation was greeted at Pochentong Airport by Tram Iev Tek, deputy minister of posts, transport, and communications of the People's Republic of Kampuchea, and other Kampuchean officials and Soviet Ambassador Yuriy Ivanovich Razdukhov.

CGDK'S SON SANN MEETS ICK CHAIRMAN GRATZ

BK031339 (Clandestine) Voice of the Khmer in Cambodian 1100 GMT 3 Feb 86

[Text] According to KPNLF spokesman Bun Soy, Son Sann, CGDK prime minister and chairman of the KPNLF, met with Leopold Gratz, Austrian foreign minister and chairman of the International Conference on Kampuchea [ICK] and urged him to help persuade Vietnam to respect the UN resolutions concerning the settlement of the Cambodian problem and to tell countries in the free world to continue to suspend aid to Vietnam in order to pressure Vietnam to withdraw its troops from Cambodia. Excellency Son Sann added that providing aid to Vietnam should be considered after Vietnam withdraws all its troops from Cambodia.

The spokesman revealed that Mr Gratz agreed with his excellency Son Sann about this matter and said that he would try to help solve the Cambodian problem by doing something to Vietnam until it is willing to withdraw its troops from Cambodia.

MALAYSIAPRIME MINISTER MEETS WITH TAN KOON SWAN

BK021449 Kuala Lumpur BERNAMA in English 1440 GMT 2 Feb 86

[Text] Kuala Lumpur, Feb 2 (BERNAMA) -- Prime Minister Dr Mahathir Mohamad Sunday had a one-hour meeting with MCA [Malaysian Chinese Association] President Tan Koon Swan at the latter's residence here. Tan who met reporters after Dr Mahathir had left described the meeting as a goodwill visit. He also said that the prime minister had wanted to hear from Tan himself what actually happened in Singapore.

Earlier, speaking to reporters at the MCA headquarters here after being given a rousing homecoming from Singapore at the Kuala Lumpur international airport, Tan gave an assurance that the party was already geared up for the next general election -- no matter when it is held -- and said he would continue to dedicate himself to the party despite facing problems in Singapore over the Pan-El [Pan Electric Industries] crisis. He said: "I hope to spend as much time as possible for the election" and "if time permits I will campaign actively." He said the party would hold a special meeting soon to, particularly, explain to leaders and members the latest developments facing the MCA and himself.

Meanwhile, two businessmen, J.P. Ong and C.P. Teoh, who are also MCA members started the ball rolling for the party youth wing's legal fund for Tan when each donated \$10,000. They presented the cheques to Tan.

CABINET REGRETS SINGAPORE MINISTER'S COMMENTS

BK050728 Kuala Lumpur BERNAMA in English 0721 GMT 5 Feb 86

[Text] Kuala Lumpur, Feb 5 (OANA-BERNAMA) -- The Malaysian cabinet Wednesday expressed regret over a recent statement by Singapore's first deputy prime minister Goh Chock Tong, which touched on the Malaysian Chinese Association (MCA), saying it has belittled the position and influence of the MCA in the government. The MCA is the second largest party in the ruling National Front coalition government of Malaysia.

The cabinet, in a statement at the end of its weekly meeting, said it considers Goh's comments as irresponsible and an interference in the affairs of Malaysia. The statement, issued by National and Rural Development Minister Sanusi Junid as cabinet spokesman, says the cabinet recorded its regret and took a serious view of Goh's statement. "The statement is irresponsible and clearly interferes in the affairs of Malaysia," it says. Sanusi says Goh's statement could create misunderstanding among the communities in Malaysia. He says a protest note will be sent by Foreign Minister Tengku Ahmad Rithauddeen to the Singapore Government.

Goh had made the statement in response to questions from the floor at a forum at the Singapore Polytechnic. A student had asked if relations between Singapore and Malaysia would be affected by the reported MCA threat not to support a renewal of the water agreement between Singapore and Johor following the arraignment of MCA President Tan Koon Swan in connection with the Pan-Electric Industries affair in the republic.

To this, the minister had replied: "The MCA is not in charge of Malaysia. If they were in charge and our water supply is cut, I think we will be in deep trouble."

#### OFFICIAL ON DESIRE TO PURCHASE USSR HELICOPTERS

BK311025 Kuala Lumpur BERNAMA in English 1009 GMT 31 Jan 86

[Text] Kuala Lumpur, Jan. 31 (OANA-BERNAMA) -- Malaysia is looking into the possibility of setting up more joint venture projects with India to narrow the trade imbalance between the two countries now in Malaysia's favour. Deputy Primary Industries Minister Megat Junid Bin Megat Ayob said Friday that India, which has been Malaysia's traditional buyer of crude palm oil, has experience in handling big projects. Of late, India has been scaling down its imports of Malaysian crude palm oil because of its huge trade deficit with Malaysia amounting to 1.1 billion ringgit (about 458 million U.S. dollars) last year, he told reporters. Megat Junid said all government ministries here were working hard to seek ways to cut down this imbalance by finding possible avenues for Indian-Malaysian joint ventures. He added that India and Malaysia had a long-standing friendly relationship and Malaysia was not prepared to ignore and forfeit this. "As such, we have to overcome this situation," he added. "We are now trying our best to purchase boilers for our refineries from India."

As for Malaysia's wide trade imbalance with the Soviet Union, Megat Junid said Malaysia was keen on purchasing "certain types of (Soviet) helicopters" for the armed forces. The helicopters which Malaysia wants to purchase should have the ability to lift helicopters which has crashed and are difficult to be salvaged by manual operations. However, such helicopters are not yet available for export from the Soviet Union as production has just began. Megat Junid said the Soviet Union has assured that it "will honour its words" as negotiations to purchase such helicopters were made in 1983.

#### POLAND OFFERS TO INCREASE TRADE EXCHANGE

BK311043 Kuala Lumpur BERNAMA in English 0945 GMT 31 Jan 86

[Text] Kuala Lumpur, Jan. 31 (BERNAMA) -- Poland has suggested that it be allowed to participate in Malaysia's Government projects in exchange for buying more Malaysian rubber, crude palm oil and tin. This message was conveyed by Polish Deputy Foreign Minister J. Majewski when he called on Deputy Primary Industries Minister Megat Junid at his office here Friday. Megat Junid later told newsmen that Poland was keen on such an arrangement to narrow her trade surplus with Malaysia. He said Poland was Malaysia's second largest trading partner after the Soviet Union among Eastern European countries. Megat Junid said Malaysia would consider the proposal if Poland could give transportation space for Europe-bound goods from Malaysia in Polish vessels which call about 46 times a month at Malaysia's premier port, Port Klang, about 40 km west of here. Malaysia now exports natural rubber, crude palm oil and tin to destinations in Eastern Europe and it was therefore necessary to have a constant and regular shipping link. The need would become more pronounced when the Federal Land Development Authority (FELDA) installs its storage pipeline for crude palm oil in Yugoslavia to service neighbouring purchasers very soon. The Malaysian Rubber Development Corporation (MARDEC) maintains a storage facility for 60,000 tonnes of natural rubber, at one time, in Yugoslavia. If the shipping arrangement is viable, then Malaysia could pay for the services rendered by Polish ships by buying Poland's manufactured products, he added. Bilateral trade in 1983 amounted to 87 million ringgit (about 36 million U.S. dollars) with a trade imbalance of 26 million ringgit (about 11 million U.S. dollars) in Poland's favour. This imbalance widened further in 1984 to 37 million ringgit (about 15 million U.S. dollars) when total trade increased to 165.9 million (about 69 million U.S. dollars).



MARCOS ADDRESSES CHAMBER OF COMMERCE 4 FEB

HK041010 Quezon City Maharlika Broadcasting System in English 0520 GMT 4 Feb 86

[Speech by President Ferdinand Marcos to various Philippine chambers of commerce and industry in a multichamber presidential candidates meeting at the Makati Intercontinental Hotel -- live]

[Text] Thank you very much, Mr Periquet. The, um, various, um, chairmen, the presidents of the multichambers presidential, um, um, group, ah, that has, ah, gathered here today, distinguished guests from abroad and, ah, from the Philippines, my friends in the business world, my friends:

A few days back, in another forum, I found it necessary to reassure my audience that I am the true and the real Marcos. Today, in this forum, I must reassure you, first of all, this time that, ah, I am the only Marcos who is running for the presidency of our Republic, [applause] and that come election day, I shall still be running for reelection [applause] all, ah, stories from any quarter notwithstanding. Now, under ordinary circumstances, these, ah, reassurances would not be necessary. In fact they would be ridiculous, but, um, these are not ordinary times. My opponents in this campaign do not try, I think, have no inclination to rise to the sublime -- oh, they might, they might have an inclination to rise to the sublime, but so far, they seem to be (?sensibly) ridiculous. I am not sure, we, all of us in the sense, for the sake of victory in these elections, I do not know. But there is consummation in the thoughts that, uh, after Wednesday and Thursday, the [word indistinct] will all be over. To be sure, [words indistinct] spread of gossip and disinformation will cease, knowing our society. But at least by then, we can safely ignore them and turn to the reality of governing and leading our people in our country. I believe the nation's business should have been at the front and back of our minds so that we can think, but this is you see, a free country, and we cannot [word indistinct], not even a candidate for the highest office of the land to discuss issues intelligently, as she prefers to go to, oh, or [words indistinct] or engage in black propaganda, whatever you call it.

Now, lest anyone of you jump on that remark as an indictment of the fair sex, since I was quoted as having said one time that women are merely for the bedroom and uh, some women are, but not all. [laughter] [Words indistinct] Let me say that I'm referring actually to this tendency to hysteria, towards overreacting. Um, uh, in my opinion, ah, this has reached unusual limits in this campaign, not necessarily because the other candidate is a woman. I don't believe that sex is a barrier at all to the presidency, only lack of preparation, aptitude, and experience is. Sometimes they even swear by the distinguished, ah, French philosopher who use to react to the narration of every event with the question: now who was (?she)?

I have no illusions about, um, my opponent in this campaign. A long time ago, I started studying her aptitude, capacity, but it is my principal, uh, opponent, I think, uh, who somehow has disappointed me and some of my friends. After starting up on a promising note of, I would say, honesty and sincerity and humility, she ends up listening to her 50 ghost presidential candidates or advisers. Now I would say about these advisers that, um, um, I have a feeling that they would like to run this country without the inconvenience of seeking public office in an election. Having been given the opposition's nomination on the silver platter without the usual nominating conventions, it seems now that, uh, many of those who are in the opposition expect the solution to our country's problems to be handed to the presidential candidate on a silver platter. I'm afraid that not even the 50 ghost presidents can manage that. It might be a little difficult. For there are no magical arts in governing a country, and as, uh, De Gaulle once said, a country's governed not with if's or but's, but with a yes or no.

You lay on the block your neck, and lay on that block not just your good name but your honor and, uh, your entire, em, a lifetime of achievements. So, the only magic lies in experience, will, intellect and, above all, achieving results for the destiny of our people. I have not had anything handed me on a silver platter, not for me nor for my present vice presidential candidate MP Arturo Tolentino.

Now, the trouble is that, the (?road) to the presidency lies (?precisely) in the fact that its conception of high office, its proposed policies and programs [words indistinct] derived from long and searching study of what must be done. There is much talk in the opposition of course, about sincerity yes, um, I wonder whether their makeshift and changing platform is proof of the exact opposite -- and indulgence in anger, threatening civil war, and uh, utilizing violence, hate, anger, changing position at will, banking on forgetfulness of her [word indistinct].

It cannot be otherwise for a campaign, uh, which perhaps is directed by (?foreign) [word indistinct]. Perhaps it is sufficed to put to you Napoleon who said: One bad general actually running a team is better than four good generals trying to get their orders obeyed.

Let us be serious. The position of president of the Philippines is neither a sinecure nor an (?honorary) nor a ceremonial position. The function of the occupant is not to cut ribbons or to run the household in Malacanang. His business, or her business, is to lead, to make decisions. The concerns that he must grapple with are enormous and cannot be trifled with. There are no quick and easy lessons in the wide range of heavy matters that the president must deal with: the balance of payments, foreign trade, fiscal and monetary policies, banking system, the tax and tariff system, and every section of the economy, agriculture, industry, labor and employment, government organizations, insurgency, the tribal minorities, dynamics of the body politic at all levels, foreign affairs geopolitical politics and their effects on the nation, I could spend the rest of my allotted time expanding this, ah, list.

This is why, in the final analysis, we are really asking in this election: which candidate do you want to have his or her finger close to the red button when a decision must be made? This is why we cannot dispense during this period of campaign with a discussion of policies, programs, philosophy of -- of government. So when you say you're, um, you must explain to our people which taxes do you consider regressive and what are you going to do about it? It sometimes seems to me that the opposition solution to the task of organizing power in our society is [word indistinct] from power. They would have the people believe that in the surrender of authority, in the diminution of political will, therein lies national salvation. I could not differ from them more.

In the words of a Greek, um, philosopher, Heraclitus, writing 2,000 years ago, and I quote him: A society which will allow the citizens all license and authority ends in anarchy, while, a society wherein the government alone has authority results in a dictatorship. Balance is the secret of it all. This is what we have been doing. With [word indistinct] that power misused can lead to disaster, but that possibility does not make government (?expendable) and anarchism our (?choice). Eric Hifer perceptively points out: Power corrupts a few, while weakness corrupts many. [Words indistinct] democracy's greatest strength that it can (?all) lead to ideas [words indistinct], seeking all the time to keep power from corrupting the government and (?prevent) weakness from dominating the body politic. [Words indistinct] this complex idea is what separates our position, for instance, on the communist insurgency or the dismemberment of the territories of the Philippines and all threats to the Republic from that who may be allied with the opposition.



When they set forth their policy of appeasement towards the communists and secessionists, we say that only a firmly drawn line against insurgency with the, ah, acceptable [word indistinct] plans for economic recovery would save the nation. Neither one alone nor the other alone can save us. Both must be attended to.

And I have not heard nor [word indistinct] exactly how this balance should be maintained between individual rights and, um, oh, governmental power, because it ultimately ends up with, ah, a [words indistinct] to determine where that balance should be because it does not stay permanently in one place. In a state of crisis, the balance may move a little more to the right. In a, ah, state of, um, progress and peace and order, then the balance may be moved to the left. Now, for instance when, er, some of, ah, our friends in the opposition harbor illusions that the communists will lay down their arms, we look to the stark reality of the obstinate goal of communists to bring down our Republic and install their own, economic recovery notwithstanding. Economic progress will never convince the communist ideologue to give up his objective and purpose, and that is to set up a communist government.

Superficially both the opposition and the administration may seem to stand for the same (?approach), yet once the positions are followed to their logical conclusion, it turns out that they stand for weak, disarmed government, while we firmly stand for a stable and strong government and an uncompromising struggle against the enemies of the Republic within the framework of our laws, as I am working to strengthen the private sector so it may be the principal mechanism for advancement and progress.

The same is the case in the economic sphere where again we seem to both start out from the same policies. What is our party's economic philosophy? We call it free enterprise, and we say that we depend upon the private sector as the principal mechanism for change, for order, for progress. [Words indistinct] there is a form of free enterprise in which competition is always on the side of the strong and the privileged. I say that [words indistinct] social justice or justice, if you must, ah, ah, be, um, accurate. So the free development of all is the condition for the free development of each. If you ask, um, the opposition [words indistinct] presidential candidate, [words indistinct] also for free enterprise. But it is a free enterprise, I'm afraid, for some (?people). Enterprise that disregards what the lower classes [words indistinct] because we have often asked the question: What is the policy of the opposition with respect to all classes of people? And we hear generalities and, um, objectives which, ah, I immediately realize was borrowed from our program. And when I questioned this, they immediately admitted that, um, indeed it was taken from the Marcos administration's economic program. This is the reason why, um, the opposition -- especially I suppose, my principal opponent was constrained to set a separate program for the poor. Now you cannot have every program that separates the rich from the poor. You cannot [words indistinct] class war. We are one country and one single united people. To institute a program which postulates a country of the rich and a country of the poor is to [word indistinct] programmatic civil war. Incidentally, they have actually flip-pantly announced that result if they lose the election.

Indeed if the communists do not overrun our country, and, heaven forbid, if she becomes president, her economic program will be a program, ah, or that is divided into one for the rich and one for the poor, and you and I know that such a program cannot, ah, succeed.

A program must recognize economic sectors, yes. It must recognize the sectors of agriculture, finance, trade, and industry but it does not divide people into rich and poor, or that makes provisions for the size of enterprises, so that there is no medium or big. The very notion of a separate program for the poor is sloppy thinking, and such thinking is dangerous in these difficult times. If we are not willing to regard the poorest part of our greater society, we shall be overcome by (?their rebellion).



As I have repeatedly said in my writings and my speeches, and um, the problem with, um, some of my opponents is that they do not know their enemy as well they should. I know them; I know them so well that I tremble for my country and for the [word indistinct] of fate that has made them my opponents. I've often asked if my next term, if reelected, will be different from the last 20 years. Now, the only honest [words indistinct] experienced executive and leader can give is yes, absolutely. None of the executives in this hall, including myself, [words indistinct] to the facts and to the status quo. Nor would any wise leader consider his plans and strategies as cast in stone, unchanging. Change is necessary not only for survival but for growth and prosperity. To remain static is to invite extinction.

I see the period dawning on us as a time of opportunity to master the problems that have long bedevilled [words indistinct] to reach for the best that we can achieve for ourselves and for our country. I see it also at a time when new and complex challenges will be [words indistinct] and put us to the test. [Words indistinct] innovation, imagination, initiative, decision. Whatever may be said about the advantages and shortcomings of our democratic system -- and there are evidences of both in the record -- its chief merit is the fact that it is not passive before its faults so it can adjust as the times and circumstances have changed. Uh, ah, a great, ah, and wise philosopher has said: Yeah, democracy has many deficiencies, but should one exchange the (best) system in the world?

The spirit of reform is there to govern or be [word indistinct] in the four principal areas of concern in national life: peace and security, the economy, the problem of poverty, and the political (?conflict). We need to institute a whole array of reforms, adjustments, and initiatives in each of these fields, and we must enlist our people's sense of [words indistinct] and energy, (with this in view). Indeed the issues are [word indistinct]. Indeed the issues are so pressing, the problems so immediate, that it is unavoidable that even in the course of seeking a new mandate, I must already act now to resolve particular, um, problems. [Words indistinct] that I will act today on a number of measures that are of critical importance to the economy and of particular concern to, ah, our business chambers as has been very well said by Mr Periquet, [words indistinct].

Now, let me see how that is organized. First I will sign today an executive order providing for a second amendment to the sales tax system. As you will remember, the first amendment reduced the turn-over tax from 3 percent to 1.5 percent last January 1. This new amendment, executive order, that I will sign, will now expand the list of essential commodities, include such items as construction material, cooking oil, and other food items. The other items we can study as we move along. I will also sign this in your presence. [applause]

It is our pleasure to be able to sign this, uh, today and in your presence. At the same time, may I state that the impact of this is to reduce the sales taxes actually from 20 percent to 10 percent. [applause] Let me sign before you today a presidential decree declaring national policies on agricultural development and promulgating the agricultural incentives act of 1986. I recall that the Philippine Chamber of Commerce and Industry wrote me late last year asking that this agricultural incentives bill be expedited in the Batasan. For reasons that you are now aware of, [word indistinct] this bill had to take a back seat to other priority legislation particularly that pertaining to the election. We all know already that if we wait for the Batasan to act on this measure, that will mean virtually another 5 to 6 months before this needed legislation becomes law, as many of the businessmen [words indistinct] have, um, clarified to me. In the meantime the national economy requires it badly. The recovery effort awaits its impact. Aware of all this, the cabinet has recommended to the president that the agricultural incentives bill pending in the Batasan be legislated by decree. I therefore sign the agricultural incentives bill in your presence. [applause]

So what is the main thrust of this agricultural incentives bill? Ah -- perhaps the old set of incentives were tailored to industrial products, this new law is directly addressed and applicable to agriculture. It has two main features: one, incentives for investors in agricultural projects who are -- are allowed to deduct as much as 30 percent of their taxable income. Two, incentives for the project itself whereby the company can deduct 5 percent, 3 percent, or 2 percent (?depending) on the type of agricultural or agribusiness activity from gross income. This is what is unique about, um, this particular decree. It contains a lot of forms of fiscal incentives which are more applicable to [word indistinct] activity.

Now, when we want to take note of the plight of our mining industry, which has been known [words indistinct] during the past few years. This is underlined by the fact that the prices of mining products have been generally depressed for almost 5 years now. Last year, as a measure of relief, I ordered 2 LOI's, letters of instruction 14 and 16, the deferment of payment of taxes by these distressed companies. Today I sign this new executive order by which government will not totally waive these taxes and provide tax (?amnesties) for our mining industry. [applause]

[Announcer:] This is the third order signed by the president at this gathering at the Intercontinental Hotel, this multichambers presidential candidate meeting. The president said he will sign a series of directives today. This will be the fourth.

I shall also sign this, a letter of instruction implementing the 1986 investment priorities plan. Every year, we officially indicate the areas in which investment incentives are to be granted. The 1986 plans cite 334 reserved areas of economic activities entitled to investment incentives. I urge you now to look into these opportunities. We in the government stand ready to assist you in every way we can. I therefore sign the investment priorities plan for 1986. [applause]

Uh, while appearing before the Makati Business Club a week or so ago, I spoke of my position regarding the proposed merger of the Philippine National Bank and the Development bank of, of the Philippines. Uh, at that time, I, I said that, uh, the matter still required consultations, [words indistinct] economic minister. Today, I wish to announce that these two government financial institutions will not be merged, and so long as I'm president, they will not be merged. [applause] But, in signing this presidential decree, I now authorize the first step to strengthen these institutions by transferring the nonperforming assets of both to [words indistinct]. I sign this presidential decrees providing for the orderly disposition of certain assets of government institutions. [applause]

Uh, the assets under this draft will be managed by the Assets Management Corporation which was just established under this decree. Significantly, this measure constitutes also a major step towards the goal of privatization. [words indistinct] We can now duly accelerate the disposal and save the various government corporations and assets. Uh, in relation to this, in relation to this, um, I sign today another presidential decree defining what are government-owned and government-controlled corporations and defining their role in national development. For some time now, we have been discussing and [words indistinct] what exactly should be the government's role in the development of the national economy. This law now clearly defines what is that national policy [words indistinct] for government corporations. Uh, in addition, I am signing a supporting letter of instruction that sets the guidelines for the rationalization of the government corporate sector, that government corporations not compete with the private sector. [applause]

Um, this is the letter of instruction pertaining to the guidelines for the rationalization of the government, uh, corporate sector. I also sign it today.



Seventh, I am very pleased to announce, um, to announce today's major beneficial development for the farmers of our country. A, uh, development which will undoubtedly enhance our agricultural production in the coming months even now. Because of the substantial drop in the world prices of [words indistinct], I now sign this letter of instruction directing the fertilizer and pesticide authority to implement a price reduction immediately.

I also sign today, um, a letter of instruction appointing an international surveillance company to check that imports into the country are properly valued so that our business sector can be protected from undeclared or misdeclared imports. I sign this in your presence. [applause]

Finally, I want to say a few words about the hope and clamor of many for a further rollback in gasoline prices and other oil products. There seems to be good indications that the drop of oil prices to under \$20 a barrel will hold good. We believe another substantial price rollback will be feasible. Um, I don't see Minister Velasco smiling. [laughter] They are very quick ways to increase prices but very slow in bringing it down. Uh, to do this before the elections is certain to raise another loud howl from the critics, that we are trying to buy the election.

Um, may I say that there is no need to buy anything. I think, uh, that the surveys all indicate a favorable trend. We of course are still running scared. I always run scared in any election and campaign as hard as I can. Um, it is a difficulty, for instance, to deliver a rousing political campaign [words indistinct] but this has happened in several places like well, Zamboanga, Bacolod, uh, even Iloilo, Davao, Cagayan de Oro.

I want to brag a little because they always say that I can't uh, walk, uh, even that I can't write and sing. Well, um, it's true that I can't walk because I have a wound which has affected my left knee, and um, I have a difficult time when it is raining and, uh, when it is cold. You know, um, [word indistinct] from all this serious business I probably should stop signing all these decrees. [laughter] But, uh, the other week, I have a, uh, an award to Dodie Boy Penalosa. You know him. He is our let me see, flyweight, junior flyweight world champion. When he was small or young, he suffered from polio, and uh, his left thigh is, um, a little smaller from his right thigh and he suffers from pain, and, uh, I asked him: Well, what do you do when you are in a stiff fight? Don't you feel any pain on that left thigh of yours? Doesn't it bother you? And he told me: Yes, it bothers me, but I remember that I am the champion of the world. I remember that I, uh, represent 54 million Filipinos who expect a champion. I don't feel any pain anymore. And that gave me a lesson. Well, I am president and I shouldn't be feeling any pain, so the presidency sometimes can be of help, and uh, [laughter].

You can be sure, however, that after the elections the current prices will hold although Minister Velasco will think that some of the profits should go to his corporations, um, which of course is typical of any corporate executive. Uh, I think, um, the prime minister and Minister Velasco, Minister Ongpin -- I'm referring to Roberto Ongpin, of course [laughter and applause]. I don't know if the other Ongpin is here, but uh, [laughter] you know, I was told that you applauded when my opponent said she will eliminate, uh, the OMA [Office of Media Affairs] and the (?disinformation) officers. What if she does? What, uh, ministry will she give to Mr Jaime Ongpin other than, uh, let's say, writing for the new president if she wins, God forbid? [laughter]

But, well, we will definitely order additional cuts, uh that is my pledge. Now, let's see, I have one more -- ah, yes, the [word indistinct] code. Uh, the elimination or rather, what do you call it, drawback.



For every application of a drawback, there must be, uh, first of all, application [words indistinct] and the like, that we now clarify how quickly and under what circumstances the drawback should be made and I order it, um placed in written form so that it is not just a policy. I sign it in your presence. [applause]

I guess this is how, um, my speech, um... Now, these measures form part of the larger efforts which we must undertake for the economy and the nation. Since we are shaping a whole society, our economic program should always be seen alongside our political, social, and cultural goals. We, um, candidates to the highest office, should have a clear vision of what, um, reforms, uh, are necessary, say within the next 100 days.

I, uh, was informed that, uh, the opposition thinks they would remove our regressive taxes. I wonder if they know [words indistinct] the, um, use of Amendment No. 6 or the Batasang Pambansa. She said she is committed to repeal Amendment No. 6, she will have to pass through the, uh, Batasang Pambansa which is controlled by the KBL.

[Words indistinct] Uh, thinking of, um, the, uh, restructuring our indebtedness. I wonder if they know the conditions of the restructuring that has already occurred [words indistinct]. I don't have to repeat here what has already appeared in the papers that have been delivered by me in, um, speech before the uh, [words indistinct]. Managing world debt, actually, [words indistinct] and present performance and the Philippines has been cited as 1 of the 2 -- the other being Brazil -- out of the 35 nations that have been able to [word indistinct] its indebtedness, uh, very well. Uh, and this is why we keep insisting in a more [word indistinct] statement [words indistinct] economic program of the opposition, something they have refused to do.

We must always be aware of their political and social dimension. Uh, well, I will not talk much of this this, any (?commercial) that are going on now, I think we should not, uh, elevate them, to uh, the high position of the Chamber of Commerce. [Passage indistinct.]

However, I understand that it has been said that I've been avoiding a debate with my, uh, opponent. I would like to invite her, since the Comelec [Commission on Elections], I understand, [Passage indistinct.]

I would invite my opponent to a simple dialogue on one of the programs that [passage indistinct]. [laughter] Let's say Good Morning, Manila. There, there it is, Good Morning Manila. Uh, actually, it's an eye opener, um, because one day it was on Good Morning Manila that I learned that my, uh, [changes thought] they smeared and degraded the guerilla organization the Maharlika. It turned up even in the memoirs of his majesty, the emperor of Japan. Now, what an accolade! [Passage indistinct.] Because now, I discover myself honored with a comment not only by the, his majesty the emperor of Japan, 11 pages in his memoirs, and the head of the Kempeitai that was supposed to be assigned to me by [words indistinct] -- uh, Fujihara, Fujihara. Um, of course, I was greatly flattered. [Passage indistinct.]

Now, let me go back to this debate which I am very serious about. I've been told that I'm avoiding a debate, and when they told me this, I, uh, told myself that, uh, perhaps I have been avoiding a debate with a lady. Uh, debate is a bad word. I probably would survive the encounter, um, and so, should we set this debate 8 o'clock tomorrow morning on Good Morning, Manila? [applause] uh, no bodyguards please, um, specially from the NPA. [laughter] Let's just go there and ask for her. I don't know if, um [words indistinct], but he is always in Pangasinan campaigning for what, I don't know. [laughter]

But we should ask and [words indistinct] and Johnny Litton to host this. I would not be against, um, against, uh, let us say, each one of us, um, having somebody (?being appointed) as a part of the interrogators, somebody like, uh, let's see, who will like [words indistinct], that will be Mrs Tina Monzon-Palma, no? And well, uh, I don't know any commentator who is openly for us, but I [speech drowned out by applause and laughter]. You see, they have contaminated me with the habit of exaggeration, uh, and I find it a little inspiring to occasionally use this.

Now, let's say that it should be a 1 hour debate, and uh, seriously speaking, there should be no limit of the issues. You can you imagine they set it for Liwasang Bonifacio, everybody is invited. We don't know, we don't know what controls will be set, the Liwasang is always notorious for, um, of course, violence, um, no questions about security.

For now, if we are hold it in, say, channel 4, probably I can invite her to my, uh, [changes thought] -- what other facilities they have. As I said, uh, no scripts, no scenario, no reading of a prepared text, and uh, I think the candidates should be given an opportunity to ask some questions. I understand this matter is being discussed and I think that, uh, both should be given a chance to open and both should be given a chance to close, uh, to be determined by flipping the coin, [words indistinct] who closes.

If it is not convenient for her to appear at 8 o'clock, I would like her to set a date, a time tomorrow morning because it is the only time that I have before the miting de avance [advance meeting] of [changes thought], ah, (?unless they're willing to) meet me tonight after the miting de avance. I'm trying to bring about a debate. She can choose tonight or tomorrow morning and let's put this to bed, this idea of wanting to debate, not wanting to debate. Um, I have lived in (?hostile) atmosphere for my whole life. I, really, um, I feel that I have been invited, no, not invited, challenged, [laughter] to debate with her, and I am all in, um, uh, I am trembling all over [laughter] because of this debate. So, I offer two options which should be available to her: Tonight at, let's say, 10 o'clock after their miting de avance, or 11 o'clock because the Comelec has said that you cannot debate at 6th of February because that [words indistinct]. So if Ted Koppel still wants to cover this, I would suggest that, um, he also comes in, I don't know how, but I am for everybody coming in. Of course, the foreign correspondents should not be allowed to ask any questions because it might end up with, um, too many questions being asked about matters that are real, really not at issue but that could be made good copy in a newspaper item.

So, let me reiterate my request, my humble invitation to the challenged party, may I invite my opponent to a forum, a one-to-one debate before television. Uh, if all television channels want to cover it, I'm all for it, if there is no one who wants to cover it, uh, I direct [words indistinct] for air time -- he's an Ilocano like me, so, uh, [words indistinct].

Now the options are, either tonight at 10 or 11, or 8 o'clock, 8:30, 9 o'clock tomorrow morning before our miting de avance. It can last 1 hour or 2 hours as the case may be, whatever she wants, she has the option. There will no limit to issues, except that they will be limited to the issues of the campaign. Uh, so there will be no ghost presidents around. We should be able to debate alone, and um, if she wants to get a, let's say, hospitable interrogator or moderator, I, uh, would suggest that she get anyone from the [word indistinct] or other, um, producers of programs in the channels. But the participants in the debate should be allowed to question each other in, uh, of course, in English. Why? I think it is necessary so that they could be well understood. So, either 10 o'clock tonight, 11 o'clock up to 12 or tomorrow at 8:30, 9 o'clock.

I will ask the minister of, um, information to [words indistinct] that you may not know, [laughter] [words indistinct] because I have some interviews at, uh, at this gathering. Um, I um, therefore, um, close this, um, -- let me just put one, just one statement. Did you hear about Dewey Dee? [laughter] He is supposed to be a Marcos crony. I have never seen him, have never met him, and um, he is supposed to have stolen some money for me. Now, I wish he would give me the money before he left. Um, so that there will be no charges against him, but there are charges against him here in the Philippines. But that is enough for Dewey Dee. We should not upgrade him to a, uh, somebody that we talk about in the chamber. I'm sure you are not interested in that. You in the business community know the facts of this case. It can be known with the simplest investigation. Um, let's see, he's not even an acquaintance, of course, with the president. I don't think he's ever set foot in Malacanang.

Anyway, to close, ah, this, ah speech, as the campaign has reached the homestretch, it becomes increasingly clear to all that our government is not about to collapse like a house of cards, that this president is not the flabby, ineffectual leader that still sometimes our local, and even our foreign, media, ah, has, have [word indistinct] painted me to be. As the clear signs of victory have come out, so also a new tack is now being by the opposition and our critics abroad, (?knowing) this is the prejudging of the election as being marred by cheating and anomalies. An American congressmen has stated the position in the most offensive terms, ah, imaginable, that if the opposition wins, it's a clean election, if the government party wins, it's a dirty one.

Having fallen into the trap of pressing for an election, as their pet -- pet candidates are incapable of winning, they would now smear our victory, cast doubt in the eyes of the world even on the aspirations of our people. This is most disturbing indeed. Yet I believe that the truly important thing about this election is what we Filipinos ourselves, ah, believe. What is important is that you and I will feel, ah, what have we accomplished together through the holding of this political exercise. This is our business and ours, ah, alone. We have allowed observers to come in and we invite -- we invited them, to the extent that even for [words indistinct] and this is only because it is always important to us that the world understands and [word indistinct] this demonstration of democracy in our country. There are some who think that democracy has just come to the Philippines and, ah, they [words indistinct] Americans to do this. They do themselves an injustice because they established democracy here [words indistinct] government, was established, ah, by the Philippine Bill of 1902, in 1902. The establishment of the National Assembly in 1907; the, ah, bicameral legislature in 1916, and the elections, ah, before that, and during the Commonwealth, under the Tydings-McDuffie law.

Now I am a little anxious and worried because, um, I was going to [words indistinct] for these, ah, (?poor) people in this presidential campaign. Of course [words indistinct]. I am used to them, um, they don't know how thick my skin can be. But they have not debated. They give a [words indistinct] they have not faced the issues that worry our people. They will exorcise, but they will not lead. And I am resolved to keep the (?temper) of this campaign down. [Words indistinct] vituperation has been hurled and the people have spoken. I will inaugurate, ah, the victory, [words indistinct] will win, although I think they will. God willing, by effecting a reconciliation of all our people and their unification for the urgent task of nation-building, we shall move forward.

I do not, as some of the opposition has said, uh, give a [words indistinct] promise cabinet posts to the communists. But I do offer my hand to nationalists. This government is not afraid of nationalists but my opponents are even afraid of the word nationalism. For shame! I say, and so do many others, they have forgotten the name of Philippinism and nationalism, its, ah, gold name. If they go back several generations, I remember [words indistinct] mentioning, defining nationalism and Philippinism.



Um, I am sure that in his own time he was also called a lot of names. Um, we should not sink so low that we shall even deny our heritage. There is a place and there is a role in my administration that I [word indistinct] for anyone who [word indistinct] to be a Filipino, and for anyone who wants to help the Philippines. In the [words indistinct] of our society and the aims of our national ideology must have the force and majesty of their (?command).

Our present constitution was born out of the influence of historical experience and the compulsion of necessity. It was forged in the fire of crisis and so may arouse controversy [words indistinct]. The constitution must be our guiding light in both war and peace, in crisis and in serenity. So in this new time of challenge and opportunities maybe a review is in order, and so for this purpose I will call on the best and brightest constitutionalists, economists and, um, intellectuals as well as realistic businessmen, [word indistinct] to reexamine everything in our, um, program. From them will come the appropriate recommendations, a new mandate must justify [words indistinct]. We [words indistinct] to the future. I ask my opponents not to look back to the past. And, if necessary, it is my hope that we will be able, um, to organize a council of state, under the present, er, constitution -- the highest economic advisory body, [words indistinct] National Economic Development, ah, authority whose executive director, of course, is minister Ricardo Puno but the chairman is the president of the Republic of the Philippines. It is [word indistinct] that in this council of state we shall be able to invite your representatives, the representatives of all those who participate in the development of our country and on -- in the protection of her sovereignty and of her freedom.

And so, to each and every one of you, um, my friends, may God bless you always, thank you. [applause]

#### Marcos Holds 'Open Forum'

HK041532 Quezon City Maharlika Broadcasting System in English 0650 GMT 4 Feb 86

["Open Forum" with President Ferdinand Marcos at the Multichambers presidential candidates meeting sponsored by the various Philippine Chambers of Commerce at the Makati Intercontinental Hotel -- live]

[Text] [Words indistinct] represents the American Chamber of Commerce and I represent the Philippine Chamber. We have put together some questions that the members of our respective chambers have asked us to bring to your attention this afternoon, and I'd like to ask (Carl Freedman) to ask the first questions.

[(Freedman)] Good afternoon, your excellency...

[Marcos] Ah, good afternoon.

[(Freedman)] Mr President, this is a question raised by the Employers Confederation of the Philippines: Mr President, businessmen, both local and foreign, have expressed concern over the [word indistinct] radical labor movement now prevalent in the country and the blatant disregard of the law and return-to-work orders of the Ministry of Labor and Employment [MOLE]. They have likewise expressed concern, Mr President, on the policy of the government in legislating across-the-board increases through wage orders. Finally, Mr President, they have expressed concern over the continuous imposition of a payroll tax on both workers and employers in the form of pag-ibig [compulsory scheme] contributions where the newspapers reported over 4 billion [no currency as heard] have already been collected since its implementation.

The questions, Your Excellency, are the following: When reelected, what steps will you implement to order that laws relating to industrial [word indistinct] can be effectively implemented? Second, can we expect a change in the present policy of legislating across-the-board increases? And third, Mr President, can we expect a favorable response to the proposal of both labor and employer calling for the abolition of the pag-ibig contribution?

[Marcos] Uh, well, ah, first of all, in the question of, um, the radical labor groups, um, the issue indeed has come to, um, the point where government must not -- must now clarify to our labor unions the, um, policies that will not allow the, um, MOLE order to return to work, the MOLE orders do -- ah, whatever, ah should be, ah, enforced are disregarded. I, ah, need not, ah, say that, ah, this is of course one of, ah, the things does not need any further study. I can assure, that after the election, we will get together and, um, ah, see to it that, ah, orders to return to work, orders of, um, um, well, implementing a, ah, ah, bargaining, ah, agreement will be enforced. Right now it's a matter of enforcement, ah, really, and the liberality with which, ah, the, ah, the police as well as, ah, the military has, ah, conducted, ah, the implementation of all this is certainly something that should be [words indistinct] change. I promise you that this will be done. [applause]

Now on the across-the-board, ah, changes, ah, as to union leaders and the like -- as I have said, perhaps the present institutions which include the wage, ah, the tripartite, ah, wage, ah, conferences, ah, (?don't) seem to be effective. As you know, labor and management and the government are supposed to work [words indistinct] under the Ministry of Labor, ah, I will, ah, convince everybody that, ah, this is not effective and therefore we must, ah, replace it with something else. I am sure that we will be able to get together and determine exactly what should be done. And perhaps, ah, the most very simple answer is to collective bargain, and, um, I suppose that it would be more acceptable to you than the across-the-board legislation for wages. [applause]

On the, ah, pag-ibig, ah, program, ah, perhaps, ah, it's now time for us to review, ah, the question of the pag-ibig and convert it into a voluntary, ah, fund for those who have no houses. Many of those who complained of course, ah, already have houses and they don't need the, ah, capital of the loan which can be extended by the pag-ibig, ah, program, I will, ah, ask the minister of finance and the prime minister and the other members of the cabinet to, ah, restudy this. Ah, I repeat: We probably should take out the compulsory aspect of the pag-ibig program and turn it to [word indistinct] a [applause] voluntary fund. As of now that's best that I can think of.

¶ (Freedman)] Thank you sir.

[Unidentified questioner] Good afternoon, Mr President.

[Marcos] Good afternoon.

[Unidentified questioner] Many of us [words indistinct] foreign investors and we represent many more potential foreign investors in our chambers. We want you to know that we love the Philippines. We believe in this country and its people, and we want to help to hasten recovery. There seems to be general agreement that investment of foreign capital will be important to the economic recovery of the Philippines. Policies and programs, guidelines intended to attract and keep foreign investment have been the subject of some discussion from both Filipinos and foreigners alike.

Some of these areas of concern is the lack of the assurance that they [words indistinct] to remit profits; another is the high cost of energy, and this of course is of interest to Filipino businessmen just as much as it is to the foreigners, especially in that the cost of energy here, industrial energy sometimes is double, or more, of the cost in the neighboring countries; another is the inability, seemingly the inability to implement the decisions of the Ministry of Labor which was covered very well by your answer to (Carl Freedmen's) question.

Mr President, do you believe that there is a need for a policy change or changes covering foreign investment, and if so, would you share with us, sir, the changes in policies and new strategies, programs that you would implement to try to keep foreign equity in business.

[Marcos] Well, yes, um, I said, ah, it would be tragic if we were to remain static. Ah, the mere fact that, ah, businessmen will raise doubts about this activity (?with) the present policy in the form of incentives for, ah, investors, whether domestic or foreign, ah, requires a, ah, deeper study. And, ah, I would, ah, request that, ah, the, ah, Chamber of Commerce participates in, ah, this, ah, study. Now, um, ah, we have, for instance, the matter of, um, import liberalization. Now this is a direct conflict between, um, the Filipino consumer, the Filipino and foreign consumers, and, ah, the, ah, ah, trade people or the, um, manufacturers in the Philippines who require a high tariff wall for protection. But this high tariff wall results in high prices for local consumers. As I announced, ah, the other week, this was a, ah, policy that we enacted in 1980, supposed to terminate in 1985, ah, and extended to February of, ah, this year, and during this period of extension, we were supposed to make a study. May I now anticipate to you that, ah, we will invite you to, um, a more detailed study of the various articles that are involved in this, ah, ah, matter and, ah, we, ah, ah, try to bring about, ah, this council of state [words indistinct], or I talked about in my, ah, speech in order that we can go over all of these, um, [words indistinct] and, should we say, um, either of the foreign and local investors to go into either the expansion or establishment, or new expansion of industry or [words indistinct] industry. I, ah, will ask the prime minister to now study the possibility of calling a formal -- an informal, rather, um, ah, an informal group to make a study on this as soon as we settle down from the election. [applause]

[Name indistinct] Mr President, [name indistinct]. On several previous occasions you have had some remarks of the so-called sugar and coconut monopolies. I have a question here that pertains to a particular part of that coconut question and that is the apparent monopoly that has been given to (Unichem) in the importation of detergents and [words indistinct]. And the question is: Do you propose to also dismantle this monopoly?

[Marcos] Ah, I do not, ah, consider this a monopoly because, ah, I think it should be open to anyone who wants to set up another factory. I, ah, I don't believe that, ah, the (?order) franchise that was given this, ah, um, [words indistinct] unlimited to (Unichem). Ah, so now let us be frank with each other. The present, ah, nonbiodegradable detergent that is from crude oil, ah, is not only expensive, also is prejudicial to the health and to the welfare of the entire country. In many states, this nonbiodegradable detergent is now banned and, ah, it's about time that we think of our welfare as much as in those who are, ah, engaged in this other monopoly, because let us admit it -- there is a another monopoly, and that is the producer of the nonbiodegradable detergent. Now that is the monopoly, of, ah, one, ah, [word indistinct]. So [words indistinct] about time that we brought all this together, people together and why don't we help them ah, set up, um, a, ah, form of capital, ah, um, co-, ah, distribution so that there is no talk about, um, a monopoly. I did not want to go into this because when I studied the, ah, monopolies in detergents and the like, I understand that, ah, some of them are foreign and some of them are local.



Now it's about that time that ah, we got together and looked at this, ah, with, ah, well, an eye in view of -- to the welfare of our country as well as for the businessmen. We don't intend to hurt anyone. And, um, if the complaint is about the monopoly of (Unichem), you can be sure that (Unichem) would be only too happy to accept capital from anybody else. In fact, as I said, I think they asked a German partner to set up, ah, a share. So how can that be a monopoly? The Germans are in it, the Filipinos are in on it, now if you want a share of it and order the [chuckles] capital to be distributed among, shall we say, the eight chambers of commerce, ah -- Do I hear any bids? [laughter] Or to set up a new factory. Now, this is not a laughing matter of course. I am trying to make life something which is really difficult (?to resolve). [sentence as heard] There is no intention to prejudice anyone. We are trying to protect the national welfare [words indistinct], the nonbiodegradable detergents which [word indistinct]. It is no longer acceptable in modern society, in modern economies. It's about time that we agree as to when we start protecting ecology and our country and, ah, although [words indistinct], let me say that the moment you, ah, have a solution which may include setting up a factory for [words indistinct] participating in the capital of (Unichem), I shall be available to be referee in this, ah, matter. And I would like to transfer this to the minister of trade, ah, the other Ongpin. [laughter, applause]

[Unidentified questioner] Thank you Mr President. The next question is (Barry Fersade's). The armed insurgency problem has attracted international attention in both its internal and domestic aspects, as well as possible external intervention. When reelected, Mr President, can we expect new initiatives to arise so we may see a settlement of this problem within the near future?

[Marcos] I have said that the first, ah, reason why the insurgency grew was that for 3 years, we had to reduce the appropriations of the Armed Forces of the Philippines by 20 percent. Just like the other ministries, the Defense Ministry had to [word indistinct] 20 percent reduction which immobilized [as heard] 21,000 of our troops. And, um, this also caused a, um, ah, should we say, ah, cutting up of the, ah, various operational battalions so that only four of the [words indistinct] could be set up in the, ah, critical places which, ah, was taken advantage of by the, um, ah, insurgents in 1984 as well as in 1985, but not (?anymore). Um, we have on record the surrenders of, ah, the insurgents. We do not wish to, ah, crow about this -- we know every time we suffer casualties, we have to publish it. But we don't publish the casualties suffered by the other side. Why? Because we are approaching the insurgency problem with the right and left hand technique. With the left hand, we try and pacify them; we try to convince them that they are, ah, fighting for the same thing except that, ah, they have been taught the wrong ideas. To the right, we say to them: If your purpose is to set up a foreign ideology, whether our country is progressive or not, then you must (?reap) the mailed fist of the right hand. And so, there have been many surrenders. Ah, as of, ah, January 3d, there were more than a thousand surrenders of firearms, 2,100 support groups with firearms, 60,000 mass base, and we are holding that and the surrenders because, ah, we cannot afford it. That's funny, isn't it? We cannot afford to implement what I have set up as the recovery of the subversive program. We give them, ah, facilities for both agriculture and, ah, semi- um, agri- ah, processing. We put them into fishing and, ah, the like. We teach them proper technology but this needs, ah, um, money. So we have, ah, set aside lands on which they can settle. At the same time, ah, we are, ah, sitting down for the NPA [words indistinct] and, ah, many of these surrenderees have been killed (?for) surrendering.

I think that, um, given 1 year, if we continue with the appropriations that we have now released to the Armed Forces of the Philippines -- ah, given 1 year up till we have settled down from the elections, we should now be able to, ah, eliminate the (?core). Now, we have captured the founder of the Communist Party, Jose Maria Sison. We have captured the highest commander of the New People's Army, Commander Dante, alias Bernabe Buscayno. We have captured the members of the Central Committee and, there are ah, -- except for the escape of one of them through the National Press Club.

[Unidentified speaker] [Words indistinct]

[Marcos] Ah yeah, I didn't want to mention any names. We all know Satur Ocampo well. [Words indistinct] business manager, I think, of the MANILA TIMES, no? I sometimes, ah, -- and, um, of course we also know who is really the national, ah, ah, ah, um -- what do we call this um -- Democratic, um, ah, NDF, um, who is an old friend of ours. Um, they seem to come from the media, ah -- I wonder what that means? [laughter]

But anyway, we have captured the second echelons of the leadership. Now, ah, by any standards, ah, that is paralyzing. You cannot operate with a third echelon leadership, and, ah, I understand there is, ah, a big row inside, ah, ah, the party. I am not going into all this, ah -- there is this talk about a civil war. To be frank with you, I don't think they have the capability to mount a civil war. Um, I would suggest that they don't even, um, bandy the words around of civil war because, ah, it might -- it might give a wrong, um, impression upon the, ah, those who are actually holding guns that, um, that they can mount a civil war. There is no [word indistinct], no, in the Philippines other than the, um, military forces of the, ah, government that can mount a civil war. If there is going to be any fighting, it will be have to be between the military forces themselves. And right now, that is impossible. This is one of the reasons why we have the board of generals, and this is one of the reasons why we will have both General Ver and General Ramos manning the (?fort).

I, ah, repeat: Given this, plus the \$75 million (?default) in, um, military equipment in the compensatory package payments of the United States under the military facilities agreement, ah, we should be able to wipe out the core. I don't think the entire, um, organization, but the core, and, ah, prevent any of, ah, these ambitious plan about taking over an island starting a, ah, what they call a regional provincial communist (?laboratory). Now, we will not have any of that. I appeal to our friends in the opposition not to encourage anything like this. I tell them, and I tell them very casually, we are capable of ending anything that you can start, but do not regret that once the, uh, glove is thrown down, and we start our operations, you may be included in such operations. Thank you. [applause]

[Unidentified speaker] Mr President, before I turn the mike over back to George, they asked me to ask you whether you would like to finish that answer that you gave previously with regard to the industrial power rates. There is a major complaint, that, uh, especially among the exporters that our major barrier in export promotions is the very high, expensive, industrial power rates that we have to pay in the Philippines.

[Marcos] Well, I don't see anybody in the NPC [National Power Corporation] except the chairman of the board, which is Minister Velasco. I hereby order that you restudy the rates. I hereby order that you lower them. [laughter and applause] I guess that's the reason why I'm your president. But please look into this, considering, of course, the lowering cost of fuel. Now, at the same time, we must now look into the purchase of the surplus of coconut oil by the National Power. We set aside 200 million [no currency is heard] solely for the purchase of this surplus of coconut oil, which has been, incidentally, approved as part of a decree. We will then be able to stabilize the coconut industry and with this, we move into other areas, including the cost of industrial fuel.

In fact, I have announced this all over the country, anticipating your question, I suppose, um, you must have read some of my speeches. First, we started out with geothermal, uh, units. Whenever, there is a geothermal unit, which is less costly than hydro [words indistinct], we have lowered the rates and we intend to hurry up the development of geothermal. But even with geothermal units, I think there is some [words indistinct] for lowering the rates and I believe Minister Velasco is, um, the right person to do a little hard work on this matter. We'll blame you if you do not bring down the rates. [applause]



[Unidentified speaker] Thank you, Mr President. Mr President, this is a question on the U.S. military bases. Some have taken the position to abrogate the bases agreement and ask the Americans to leave now. Other opinions have been ventured all across the spectrum on this issue. It's no secret that the U.S. military has declared the bases, for all intents and purposes, to be essential and irreplaceable. Could you tell us how you view this issue, from the near term, that is until 1991, and also for longer term, beyond 1991, considering regional and global strategic implications?

[Marcos] The geopolitical situation here in Asia requires the return to the old time principle of balancing of military forces to avoid war. Uh, there are several countries, including the two superpowers who have legitimate interests in Asia, and those interests should be recognized. Ah, until the United Nations can become, um, strong enough and efficient enough to guarantee, um, peace in every region, including Asia, then we must return to this principle of balancing, um, military power. It is, er, our modest decision that the Philippines, uh, should participate in maintaining such a balance of, uh, power. For I am for, um, a restudy of the bases in the sense that we should formalize the agreement between the United States and the Philippines. Perhaps turn this into a treaty, and um, clearly state the obligations of each.

I, uh, have no doubt that, uh, the highest representative of the American Government would also want a clarification. But all these sometimes gracious reference between members of the legislature in our country and members of the legislature in the U.S. avoid it. They are beginning, uh, sound like, uh, these snap presidential elections. But, uh, kidding aside, this is a serious matter that should not be looked at with casualness nor flippancy. [Words indistinct] be decided the question of the survival of country's, the small countries in Southeast Asia. Uh, it is not, um, implausible that, uh, if, um the bases are eliminated, if there is a war, we'll get involved anyway, because we are in such a strategic place that the would-be conquerors, the would-be explorers, the pioneers, the military forces, whatever their [word indistinct] are, passing from the Pacific to, say, South China Sea and the Indian Ocean have to pass through what Admiral Mahan has called the chokepoints of the [words indistinct] and those chokepoints are not very well mapped out in the map, The Malacca Straits, [words indistinct]. The alternative is the Sunda Strait of Indonesia, but you'll have to pass through the Philippine straits, um, and the Samar Sea, uh, Malintang in the north, San Bernardino, north of Samar and the Surigao Straits. Now, these are all under the control or within the jurisdiction of the Philippines and anyone who wants to control these chokepoints must take the Philippines. So whether we have these, uh, um, bases or not, we will get involved in a war. So, we might as well start well, with the Americans probably fighting way out in the sea, instead of fighting on our soil. That's what I've always [words indistinct], although that is not the principal point. The principal point is to avoid [word indistinct] any clash of arms, the possibility of the balance of power is [word indistinct].

The balance of power may prevent war. The balance of power will actually make it more economic for everybody. The balance of power will give us time to develop. Without the balance of power and that's it. We're in trouble. [applause]

[Unidentified speaker] Mr President, I think we are now beginning to abuse your generosity, so may I ask the last question?

[Marcos] You can ask certainly, if you want to ask. I don't want to be accused against of running away from a debate. [laughter]



TEXT [Unidentified speaker] Chambers of commerce and industry are organizations of businessmen in manufacturing, trade, and commercial service with the explicit purpose of interacting with government. In some countries, the governments rely on the chamber to advise on economic policies, even to the extent of unofficial participation in the (?formulation) of national budgets or in the administering of the corps of commercial attaches posted at their embassies. You have asked the private sector to help in the economic recovery program. How can the chambers in the Philippines help and participate, Mr President?

[Marcos] As I have said, some of you are already participating as members of the Productivity Council. And whenever there is any, uh, alteration in the, uh, taxes, the wage and tariffs, I have ordered that, uh, we consult with you. I believe that there is an ongoing dialogue between the Ministry of Finance, Internal Revenue, the Tariff Commission, and the private sector, the Customs also. You participate in some of the, uh, examination of policy and uh, the implementation of such policies. I would like to see a more effective [word indistinct] between you and the other offices of government. I, uh, suggest that we now organize a liaison committee representing the eight chambers and see how you can keep in touch with, uh, the, uh, executive committee of the -- ah, we don't have an executive committee -- the Cabinet Standing Committee, the Standing Committee of the Cabinet, which usually [word indistinct] the proposal before they are acted upon by the cabinet, uh, system. And this is why, uh, I think in terms of a council of state, perhaps temporary for the time being, a council of state which can take up all problems between the private sector and the government, and I aim to do this as soon as the elections are over. [applause]

[Unidentified speaker] Before we close, Mr President, would you like to make a closing statement?

[Marcos] Well I have no more [word indistinct] to say, except that, uh, all this will be over soon, I hope. All the hurt, the pain, the anger, the recriminations, which have not helped in solving our problems. I do mean it sincerely when I say that, uh, the government is, not a government merely of the KBL, or a sector of our population. It is a government for all, including those who um, uh, may have to [words indistinct] in the administration in this election. Elections are supposed to be informative. Elections are supposed to be [words indistinct]. Elections are supposed to bring about more understanding. After all the satisfaction of one's ego, conceit, amor propio, and all that, um, we must settle down and look at reality once again. Um, so it's not, um, possible to delay and postpone action when we have urgent matters that confront us. And so, when I appeal to each and every one that we are to think in terms of the postelection era, because, well, we will win these elections and all the surveys simply indicate this. But whoever wins, I will perform my duty as president and see to it that there is (?peace in the land). If I am president, I will forgive my enemy. I will reembrace them and ask them to be, to act like Filipinos, to be united. We cannot survive as a divided people. It is my hope that we will be united. This is my principle objective. Thank you. [applause]

#### ESTIMATED 500,000 ATTEND FINAL AQUINO RALLY

HK041549 Hong Kong AFP in English 1545 GMT 4 Feb 86

[Excerpt] Manila, Feb 4 (AFP) -- At least half a million supporters of opposition presidential candidate Corazon Aquino today gathered at a central park here for the final rally of her election campaign, independent observers said.

The death toll in election-related violence meanwhile rose to 65 and hopes of a televised debate between Mrs Aquino and President Ferdinand Marcos before Friday's presidential poll faded as each rejected the other's conditions for the meeting.

Foreigners other than invited guests were barred from the makeshift stage in the tight security at today's rally, following reports that four "foreign hitmen" were expected to try to sabotage the rally, a spokesman for Mrs Aquino said, but no trouble was reported.

Mrs Aquino rounded off her campaign with a 30-minute speech describing Mr Marcos's government as "evil, truly evil to have systematically plundered the country to their benefit" and reaffirming her confidence of victory. Chants of her nickname "Cory, Cory" interrupted her speech several times, while firecrackers exploded and cars honked their horns.

Some half a million people, most of them wearing yellow, Mrs Aquino's campaign colour, or carrying Aquino dolls, banners, ribbons, umbrellas or balloons had gathered in the park by early this evening. By the time Mrs Aquino arrived, some of the crowd, many of whom had been waiting eight hours, had begun to drift away, as they had walked to the rally from outlying areas of the city and still had to walk home. But the park was still packed when Mrs Aquino arrived.

#### FEBC Reports Rally

HK050403 Manila Far East Broadcasting Company in English 2300 GMT 4 Feb 86

[Text] Opposition candidates Corazon Aquino and Salvador Laurel climaxed their campaign with a rally at Rizal Park in Manila. Reports said hundreds of thousands of supporters heard the opposition stalwarts sum up their issues against President Marcos and vow to govern the country wisely. The issues they brought up include graft and corruption, stashed-up wealth abroad, mismanagement of the country's economy, violation of human rights and failure to provide moral leadership for the people.

Up in Baguio City, Eva Estrada Kalaw, vice presidential candidate of the Liberal Party, batted for peaceful reconciliation, justice, truth and fair play to solve the country's insurgency. Kalaw put forward her measures on insurgency problems in the platform of the government of the Liberal Party. She also batted for the retirement of overstaying generals in the Armed Forces.

#### AQUINO REJECTS MARCOS' OFFER TO DEBATE ON TV

BK041333 Kuala Lumpur BERNAMA in English 1325 GMT 4 Feb 86

[By Kuah Guan Oo]

[Text] Manila, Feb 4 (OANA-BERNAMA) -- Opposition presidential candidate Mrs Corazon Aquino Tuesday night rejected President Marcos' offer of a debate, saying that she does not trust such a debate through "Marcos-controlled" TV channels. Her spokesman, lawyer Rene Saguasag, said Aquino, however, is ready to meet Marcos in the debate through ABC, the American TV network Wednesday morning. Marcos offered to meet his opponent in a debate over a local TV station of her choice Tuesday night or Wednesday morning.

Both contestants in the Friday poll were earlier scheduled to "cross swords" in the ABC-sponsored TV debate on Thursday morning Manila time.

The debate was however stopped by the chairman of the Commission on Elections, Victorino Savellano, Tuesday morning. The election chief said both candidates would be disqualified if they violate the election code on a ban on campaign or electioneering from midnight of Wednesday.

Aquino has repeatedly challenged Marcos to a public debate in a public square in downtown Manila but Marcos countered that the opposition has imposed too many conditions for the debate without safeguards to prevent a riot from breaking out between their supporters.

Marcos Tuesday afternoon offered to debate with Aquino on issues limited to the polls but "with no scripts, no pre-set scenario and no bodyguards, especially those from the New People's Army" (the armed wing of the banned Communist Party of the Philippines).

#### AFP REPORTS NAMES OF AQUINO'S CLOSE ADVISERS

HK051135 Hong Kong AFP in English 1110 GMT 5 Feb 86

[By Teodoro Benigno]

[Text] Manila, Feb 5 (AFP) -- Various called the "Jesuit Mafia" or the "Ateneo Mafia" a charmed circle of seven reportedly looms large behind Corazon Aquino, who could become the seventh President of the Philippines. As Friday's presidential election approaches, people close to the opposition presidential candidate bandy their names to some newsmen confidentially, while the public at large tries to fathom her shadow cabinet.

Mrs Aquino tells newsmen she has no shadow cabinet: "And even if I did have, I would never disclose the members. What I do is consult some very close advisers, but I prefer to keep their names secret."

Not so secret any more is Jaime Ongpin, president of the mining firm Benguet Corp, holder of a masters degree in business administration (MBA) from Harvard University in the United States, and former student of Ateneo University in the Philippines. Mrs. Aquino disclosed to business leaders recently that Mr Ongpin was willing to identify himself as one of her economic and financial advisers, while the others preferred anonymity "because of possible government pressure." If Mrs Aquino takes over the presidency, the business community freely predicts Mr Ongpin may become her Finance Minister. He is the younger brother of Industry Minister Roberto Ongpin in President Ferdinand Marcos's cabinet.

Another member of the so-called Mafia is Ricardo Lopa, an MBA of Wharton University in the United States, who also finished his high school and college studies in Ateneo, a Jesuit educational institution. Mr Lopa is the husband of Terry Cojuanco, elder sister of Mrs Aquino, and has been known to work very closely with the opposition presidential candidate. Mr Lopa was also a close friend and associate of Mrs Aquino's assassinated husband Benigno Aquino.

Also a "Mafioso" is Joaquin Bernas, president of Ateneo University, a well-known political commentator and constitutional expert, who has a doctorate in juridical science from New York University in the United States.

Another member is businessman Ramon del Rosario, another MBA, Harvard, and president of the Philippine Harvard Business School Association, whose father is currently Philippine Ambassador to West Germany.

Next is Emmanuel Soriano, ex-president of the University of the Philippines, Doctor of Business Administration, Harvard, and another ex-Ateneo student.



Others are: Alfredo Bengson, physician and MBA, Ateneo, and businessman Antonio Gonzales, propaganda and marketing expert, business undergraduate of Notre Dame University in the United States and, once again, ex-Ateneo.

Outside of the seven, but also known to be close to Mrs Aquino are MP's Cecilia Munoz Palma and Neptali Gonzales and Bernardo Villegas of the Center for Research and Communications, a Harvard economics doctorate holder.

However, Mrs Aquino is widely known to be her own woman, who makes her own decisions, and the so-called Harvard mafia reportedly gives her plenty of leeway.

#### AQUINO DETAILS PROGRAM; APPEALS FOR CEASE-FIRE

HK051049 Manila Radio Veritas in English 0955 GMT 5 Feb 86

[Text] The opposition presidential standard bearer led opposition leaders in lambasting the Marcos Government for pushing the country into its worst economic crisis in Philippine history. The opposition presidential aspirant said that among her priorities is the creation of community councils so that the people could be actively involved in solving basic need problems like housing and water supply. She called for redirection of the government housing program which at present benefitted the lives of the haves instead of the homeless.

Aquino promised to restore the independence of the judiciary as she criticized the Supreme Court for being submissive. She said she will not allow the opening of the Bataan nuclear plant which she said could expose the population to dangers.

But, according to Aquino, the first task of her government is to restore the trust of local and foreign investors by putting up a morally credible government.

Meanwhile, Corazon Aquino had prepared a nationwide appeal to insurgents to lay down their arms and sit down to talk peace under a new government. The appeal was made in Aquino's taped message distributed by her supporters to the country's 74 provinces and 53 cities. It was the first formal appeal for a cease-fire from the 53-year-old Aquino who is challenging President Marcos for the presidency on 7 February.

In part, she said, and we quote, I ask all insurgents to lay down their arms and negotiate with the new government.

#### Promises Tax Cuts

HK040440 Manila Far East Broadcasting Company in English 2300 GMT 3 February 86

[Text] Opposition candidate Mrs Corazon Aquino says she will cut down taxes if she is elected president. She said she will use the full force of the presidency to compel the Batasan to scrap what she called repressive taxes and will immediately call a convention to write a new constitution. She said among the first targets of her reduction will be the taxes on feeds and fertilizer and energy.

#### Seeks Suspension in Mindanao

HK041107 Quezon City Maharlika Broadcasting System in English 1000 GMT 4 Feb 86

[Text] Presidential aspirant Cory Aquino today filed a petition to the Comelec seeking the suspension of elections in four areas in Central Mindanao.

These areas include Lanao del Sur, Lanao del Norte, Iligan City and Marawi City. More on that from Marilyn Linggad.

[Begin Linggad recording] According to MP Homobono Adaza and former vice president Emmanuel Pelaez, these areas have been found to have ghost barangays. MP Adaza also urged Comelec to check other provinces, especially in Mindanao, if other ghost barangays exist. MP Adaza added that this is to ensure peaceful and honest elections. [end recording]

#### LAUREL UNVEILS 6-POINT HEALTH PROGRAM AT RALLIES

HK030948 Manila PHILIPPINES DAILY EXPRESS in English 1 Feb 86 pp 1, 8

[By Mel Parale]

[Text] The opposition said yesterday the military spending of the Marcos government has seriously jeopardized the country's health program, causing the emergence of a new generation of disease-prone Filipinos and the layoff of thousands of health workers.

A six-point health program spelled out by Laurel provides for expanded medicare program to also cover domestic helpers and employees who are presently excluded opening up of high paying health jobs in rural areas, and graduated government subsidies to the manufacture of medicine to bring down prices of drugs and medical supplies.

The Aquino-Laurel team said that the Philippines used to be among the top 20 nations in the world with the biggest budget for health. "Sad to say, the country can no longer boast of such distribution since the Philippines plunged to the 102nd position in terms of expenses for health under Mr. Marcos," Salvador Laurel said.

Laurel told rallies in Camarines Norte and Catanduanes the Marcos government spends only about P50 yearly per taxpayer for health needs, while spending about P200, or 400 percent more, for the military. Laurel said among the victims of the "Marcos neglect" of the country's health programs were thousands of health workers "who are now living at poverty-line for being among the lowest paid." Laurel said another side effect of the health program neglect was the failure of about 10,000 nurses (of the 50,000 still in the country) to get jobs.

"It's no longer a surprise to know that the exodus abroad of doctors and nurses abroad is occasioned by lack of health job opportunities here," Laurel said.

Rene Saguisag, Mrs. Aquino's spokesman, questioned the legality of the Comelec conducting or sponsoring a separate poll quick count. "Anybody who knows his law is aware that the Comelec has no business doing anything unofficial." Saguisag told newsmen.

#### Other developments:

The UNIDO [United Nationalist Democratic Organization] charged that fake ballots have been sent to Maguindanao apparently for use in the Feb. 7 polls. Laurel hailed the resignation of the KBL chairman in Maguindanao in protest against a reported plan of the local KBL to cheat in the polls.

Dr. Jainal Hamad, UNIDO provincial vice chairman in Tawitawi, reported that about 20 heavily armed men raided the UNIDO headquarters in Bongao "to terrorize opposition leaders and voters."

On request of UNIDO chairman Almarim Tillah, Brig. Gen. Carlos Aguilar, PC [Philippine Constabulary] regional commander, sent troopers to secure the area.

Opposition lawyers advised supporters that they are empowered to arrest anybody violating election laws under the 'citizens' arrest power mandated in the Constitution:

MP Eva Estrada Kalaw, LP [Liberal Party]-Kalaw wing vice presidential bat, reiterated her challenge to her rivals for a three-cornered debate on election issues.

Elizalde Diaz, PDP [Philippine Democratic Party]-Laban chairman in Sorsogon, charged that town mayors in the province have been "terrorizing" opposition campaigners.

#### AQUINO MOVEMENT SETS UP ANTI-FRAUD ORGANIZATION

HK040454 Manila Radio Veritas in English 2255 GMT 4 Feb 86

["R.V. Monitors Snap Election" sponsored by the Philippine-American Democratic Foundation]

[Text] The Cory Aquino for President Movement [CAPM] shifted gears and began what it called its Labanan and Mandaraya [Fight the Cheaters] campaign to ensure the holding of free and honest elections.

Jesus Marcos Rocas, spokesman for the organization, said that although the CAPM started out as a movement to gain support for the presidential candidacy of Mrs Aquino, it is now functioning as a support group to help prevent election irregularities. Rocas said about 90,000 volunteers will be supplied by the organization throughout the country.

As this developed, the CAPM volunteers were [word indistinct] in orientation discussions [words indistinct] were being used in the past to assure the victory of the candidates in one party. [Words indistinct] poll watchers of the other party [words indistinct] in the tabulation of votes. This was done as the ballot boxes were being transferred to the municipal or city halls. The vehicles carrying the ballot boxes and the accredited watchers, [words indistinct] secluded areas, and then dropped off the opposition poll watcher.

Elsewhere, the National Movement for Free Elections [Namfrel] in Zamboanga City has uncovered 710 excess ballot boxes while on a surprise visit to the city government's motor pool in San Roque last week. Namfrel regional coordinator Johnny Gaspar and 3 other Namfrel members made the surprise visit after receiving a tip from an anonymous caller. The guard on duty told Gaspar that the ballot boxes were under the custody of Mrs [name indistinct], supply officer of the office of the city treasurer. Mrs [name indistinct] reportedly admitted that there were indeed extra ballot boxes when Namfrel made an inquiry. [Sentence indistinct]. Mrs [name indistinct] said the ballot boxes were sent by the central Comelec [Commission of Elections] office, as borne out by the accompanying bill of lading. Gaspar said that he inquired about the surprising need to renovate 587 ballot boxes, to which she replied that she was only complying with a [word indistinct] Comelec directive. She showed Namfrel a copy of the [words indistinct].

It will be recalled that during the 1980 referendum, the late Mayor Cesar Climaco made a surprise raid at the Lantaka Hotel and unearthed prepared election returns while the balloting was still going on.



TENANT FARMERS TO STAGE PROTEST AGAINST AQUINO

HK040715 Manila BULLETIN TODAY in English 3 Feb 86 pp 1, 12

[Text] More labor and farmers' groups have expressed indignation over the alleged indifference of opposition presidential bet Corazon Aquino to the plight of 6,000 workers and tenants of Hacienda Luisita, which is owned by her family.

Vic Tagle, national president of the Federation of Land Reform Farmers of the Philippines (FLRFP), said that the Agrarian Reform Beneficiaries Association (ARBA), Lapiang Manggagawa [Workers Party], Samahan ng mga Kababaihan [Women's Association], and a farmers' group from Boso-Boso, Antipolo, Rizal, have given full support to the Hacienda Luisita farmers in their quest for social justice.

Tagle said large delegations from these groups will join the 200 farmers and tenants in a mass action to be held in front of the Supreme Court today, starting at 10 a.m.

Bonifacio Navarro, leader of the Hacienda farmers and tenants, said they will ask the Supreme Court to expedite the settlement of the 15-year-old case involving the disposition of the hacienda lands to legitimate farmer-claimants. Last Dec. 2, Judge Bernardo Pardo of the Manila regional trial court ordered Mrs. Aquino and other heirs of the late Jose Cojuangco Sr. to turn over the 6,000-hectare hacienda to the Ministry of Agrarian Reform so that it could be distributed at cost to its tenants. However, Mrs. Aquino and her family contested the lower court's decision and elevated the case to the high tribunal.

Navarro said the refusal of the Aquino family to implement the court order showed her insincerity in carrying out her promise for a so-called "comprehensive land reform program" if she wins the presidential race. He said nobody from Mrs. Aquino's family talked to them when his group picketed her home on Times St., Quezon City, last Saturday.

The protesting farmers have been camping out in Ugarte Field in Makati since Jan. 30.

CONSTABULARY 'ATTACKS' OPPOSITION SUPPORTERS

HK050718 Hong Kong AFP in English 0619 GMT 5 Feb 86

[Text] Concepcion, Philippines, Feb 5 (AFP) -- Paramilitary troops today attacked the car of a relative of opposition presidential candidate Corazon Aquino and opened fire on local newsmen trying to film the incident, eyewitnesses said. They also smashed the camera of two British film cameramen and detained them briefly in this town some 90 kilometers (56 miles) north of Manila.

Local military commander Major Napoleon Castro denied that his men had opened fire, or that they had smashed a camera.

The incidents occurred as a 100-vehicle motorcade travelling to a rally for Mrs. Aquino was passing the town's paramilitary Constabulary camp. Mrs. Aquino was travelling by helicopter. Paramilitary troops flagged down the car of Lupita Kashiwahara, Mrs. Aquino's sister-in-law, and accused the occupants of trying to take video film of the camp, Mrs. Kashiwahara said. The troops tried to drag the driver from the car, Mrs. Kashiwahara said. She said one trooper held his rifle to her head.

Mrs. Kashiwahara, a key campaign planner and spokeswoman, said they had planned to film the camp, but had not started when their car was stopped.

The paramilitary opened fire on a car of Filipino cameramen at the scene, forcing them to flee, eyewitnesses said. There were no reports of injuries. When they noticed a British camera team from the NBC network filming the incident, Gary Firman and Jonathon Collery, the troops smashed their camera and detained them briefly, the newsmen told AGENCE FRANCE-PRESSE.

Maj. Castro said the "unruly crowd" had taunted the paramilitary, who had tried to pacify them. He denied that any shots were fired. "If there was an explosion, it was due to firecrackers," he said.

He also denied that his men had smashed the British newsmen's camera, saying that it "could have accidentally fallen because there was pushing and pulling during the commotion."

At least 10 hooded men raided 10 homes in Concepcion last night, and attacked at least five people in a search for the local Aquino coalition leader Alfredo Villanueva, eyewitnesses said today. His wife Maxima said they had poured acid on her hand and had threatened to return and kill people "if they voted for Aquino." An opposition spokesman here said he believed the men were supporters of Mr. Marcos's ruling New Society Movement (KBL), who had started harassing voters. Maj. Castro said he had no reporters of such harassment in Concepcion.

The opposition spokesman also said that paramilitary troops had kept many residents of outlying villages from attending today's rally in Concepcion, home of Mrs. Aquino's husband, slain opposition leader Benigno Aquino. About 3,000 people turned out, according to independent observers.

#### Rival Factions Clash

HK051007 Hong Kong AFP in English 0933 GMT 5 Feb 86

[By Sue Kendall]

[Excerpts] Manila, Feb 5 (AFP) -- Scores of supporters of President Ferdinand Marcos and opposition candidate Corazon Aquino clashed here today as the ruling party began a rally closing the campaign for Friday's presidential election.

Violence also was reported earlier in Mrs. Aquino's Tarlac Province when paramilitary troops attacked the car of the candidate's sister-in-law, opened fire on Filipino photographers and briefly detained two foreign newsmen.

Eyewitnesses and police reported at least two stoning incidents between Marcos and Aquino supporters here as ruling New Society Movement (KBL) supporters motored and marched to a Central Manila park. Independent observers said some 300,000 people, most of them ferried aboard government and military buses and trucks or chartered private buses, had gathered at the park by 0800 GMT. Police said more than 100 Marcos and Aquino partisans were involved in a stoning incident in downtown Manila's Quiapo commercial district but reported no arrests or serious injuries.

In Quezon City near Manila, armed men in plain clothes fired shots in the air near Mrs. Aquino's home as some of her supporters stoned a Marcos motorcade after one of the Aquino supporters had been run over and injured, witnesses said. Police confirmed the incident but gave no details.

The outspoken Archbishop of Manila, Jaime Cardinal Sin said today that those attending Marcos rallies were paid, adding that today's rally "will not be spontaneous, they will be paid." Some of those at the rally told reporters they had been given breakfast before they left their homes at around 6 am (2200 GMT Tuesday), and were being given lunch and 30-50 pesos (1.5-2.5 dollars) for attending.

Many of Manila's main streets were blocked for the second day running today as crowds headed for the Marcos rally. A similar rally in the same park by Mrs. Aquino yesterday drew an estimated half a million people, mostly from the city and outlying districts, according to independent observers.

The Marcos rallyists were quieter as they passed than Mrs. Aquino's supporters yesterday, eyewitnesses said, but blue banners, flags, badges and balloons in the Marcos campaign colours of red and blue were much in evidence. There was tight security at the rally, and plain clothes men mingled with the crowd, eyewitnesses said.

#### ARMY, CIVIC GROUPS TO AID AT POLLING PLACES

HK040436 Manila Far East Broadcasting Company in English 2300 GMT 3 Feb 86

[Text] The Commission on Elections yesterday deputized the Armed Forces of the Philippines [AFP] for peace-keeping duties in the February 7th election. The Comelec said the deputization of the AFP would help ensure orderly balloting especially in areas where the peace-and-order situation is unstable.

Meanwhile, Lieutenant General Fidel Ramos ordered the thorough investigation of the reported 1,500-strong private army of a political leader in Lanao del Sur and Lanao del Norte. Ramos issued the order following yesterday's newspaper reports of Member of Parliament Omar Dianalan's demand for the disbandment of such an army.

The poll body yesterday also accepted the offer of monitoring assistance by four civic organizations with communications networks. The organizations are Pugad Lawin [Eagle's Nest] Philippines, the Philippine Amateur Radio, Eagle Communications Philippines, and Regional Emergency Assistance Communications team. The Comelec said the four groups will make their communications systems available to the poll body for monitoring problems that may arise during election day on Friday. Special teams composed of a Comelec [word indistinct], one representative each from the PC-INP [Philippine Constabulary-Integrated National Police], the NBI [National Bureau of Investigation], and the Comelec citizens' arm will be fielded. The teams, according to Comelec, shall be empowered to investigate complaints of poll irregularities and to order the arrest of election law violators.

#### MILITARY REFORMISTS HOLD FINAL PRAYER RALLY

HK040911 Manila BUSINESS DAY in English 3 Feb 86 p 28

[Text] Chances for a clean and honest election on Friday are slim because of "organized wholesale attempts to deliberately frustrate the will of the people," Jose Concepcion Jr., national chairman of the National Citizens Movement for Free Elections (Namfrel) said.

Speaking before the final prayer rally for honest and fair elections sponsored by retired Armed Forces generals who call themselves "Senior Cavaliers, Reform the Armed Forces Movement (Scram)" and the active military reformists, Concepcion said, "It pains me but I believe the chance for having clean elections is only 50 percent."



Attended by more than a thousand military officers and men and civilians, the prayer rally was held at the Araneta Coliseum in Cubao. It was the third military rally for clean elections held in Metro Manila. Concepcion called for vigilance at the polls: "If you have to disturb the peace (in keeping the elections clean), then do it. There is no way cheating can take place unless guns are used." He added, "I shudder at the consequences of dirty elections."

Retired General Luis Villareal, who gave the opening remarks, said the Feb. 7 election is the chance for the military to erase the stigma the soldiers now carry. He said the prestige and efficiency of the Armed Forces has declined through the years.

Commission on Elections commissioner Ramon Felipe, in his talk, said election fraud may be committed through the use of the Civilian Home Defense Forces (CHDFS), use of fake ballots and election returns, among other things. Other speakers were University of the Philippines president Eduardo J. Angara, Namfrel official Vicente Jayme and retired general Jesus Vargas, one-time Armed Forces Chief Staff.

Meanwhile, opposition presidential candidate Corazon C. Aquino, in a letter to the Filipino soldier, reminded the men in uniform of their task to preserve the sanctity of the ballot. "You are expected to show great moral courage...in neutralizing illegal orders or commanders subverting the will of the electorate," she added. Copies of the letter were posted in the coliseum.

#### VER DECLARES REFORMISTS ACTING ILLEGALLY

HK041611 Manila BUSINESS DAY in English 4 Feb 86 p 28

[Text] Armed Forces Chief of Staff Gen. Fabian Ver is poised to "go after" members of the military reform movement after the Feb. 7 presidential elections, BUSINESS DAY learned from military sources. In a visit last week to the southern cities of Cagayan de Oro and Cebu, Ver met with local military officials and warned them not to join the reformists' clean election campaign project, Kamalyan [Consciousness] '86.

In Cagayan de Oro, Ver told the regional unified command (RUC) officials in a command conference that Kamalyan '86 is "illegal." He also issued an order relieving RUC 10 deputy commander Col. Regisno Calub. Calub, at present, is without assignment. Calub is an active supporter of the reform movement. He initiated a prayer rally for fair and honest elections in Cagayan de Oro. He also supported a complaint of ineffectiveness filed by the reformists against the Regional Unified Commander, Gen. Madrino Munoz. The official reason for Calub's relief: "Normal ration."

In Cebu, Ver reportedly told local military officials he will "get back" at members of the reform movement after the elections. Rumor has also spread in the city that the sparrow unit of the New People's Army (NPA) was being fed information by the reformists, creating a link between the two groups. "It's disinformation. But it is a conditioning process..." remarked a senior military officer who belongs to the movement.

In the Philippine Military Academy (PMA) in Baguio City, cadets were warned not to be involved in the reformists' election project. A source from the Armed Forces said PMA super intendent Gen. Jose Ma. Zumel told the cadets the reformists will be "investigated" by the military leadership after the polls. Earlier, several cadets endorsed Kamalyan '86. They supported the letter-writing efforts of the reformists, reminding various civic groups, local officials and teachers of their duty to keep the elections fair and clean.

The reform movement was able to hold three prayer rallies in Metro Manila: at Camp Aguinaldo, Camp Carme and Araneta Coliseum. Similar rallies were also held in Iloilo, Tacloban, Cebu, Cagayan de Oro, and Baguio.

On election day, members of the reform movement will document accounts of fraud and terrorism, the final part of their poll project. Should the military intervene in the elections, members of the movement say they can only "show their faces" and, hopefully, prevent their colleagues from committing fraud. Other reformists, if given orders to violate their neutral position, can resort to "technical insubordination."

#### CARDINAL SIN REJECTS MARCOS PRAYER INVITATION

HK050531 Hong Kong AFP in English 0516 GMT 5 Feb 86

[Text] Manila, Feb 5 (AFP) -- Jaime Cardinal Sin said today he had rejected an invitation from President Ferdinand Marcos to pray with him at the presidential palace and did not rule out the possibility of the church condoning civil disobedience in the event of election fraud.

The Philippines' top prelate told journalists 48 hours before the polls were scheduled to open that Mr. Marcos had invited him to the palace today to "pray for an honest and clean election. But I said no because it is against the Comelec (government Commission on Elections) rules that I should go there. I should not appear to be favoring one candidate, I think they can pray without me," he said.

Cardinal Sin rules out the possibility that the Catholic Church would condone violence after the polls if they were "marred by terrorism and vote manipulation," but said he had planned a meeting of bishops a week after the elections, most probably on February 13. The meeting would discuss several scenarios that could arise, including the president refusing to step down if his rival, Corazon Aquino should win, or if Mr Marcos won and people embarked on a campaign of civil disobedience. Certain organizations which support Mrs Aquino, had advocated violence, he said, "but we will try our best to stop all forms of violence."

"There are already rumors spreading of a campaign of civil disobedience if there is cheating. That is why it might be good for the church to participate, because we have to eliminate evil so that truth, justice and honesty can prevail."

Saying he viewed the coming elections with "fear and trembling" because of "terrible stories" he had heard from the country's provinces, he said he was tempted to ask whether the whole exercise was "a contest between good and evil, a fight between the children of light and the children of darkness."

"I appeal to President Marcos. It is he who holds the reins of power, he who can determine whether this election will herald the dawn of a new day."

The Cardinal has been accused by members of Mr Marcos's New Society Movement (KBL) of supporting the opposition, and has in the past two months issued a series of strong pastoral letters urging among other things that people should accept bribes, but then vote according to their conscience. Today he shrugged off allegations he was taking sides, saying that the church was non-partisan, and that participation of its members in the citizen's watchdog group, the National Movement for Free Elections (NAMFREL), was fully in accordance with the church's position as Namfrel itself was non-partisan.

The Cardinal also bluntly said that those attending Marcos rallies during the campaign were paid.

Referring to a final Marcos rally scheduled today in Manila, he said, "this will not be spontaneous, they will be paid, they are provided with sandwiches, buses, T-shirts, pocket money." "Until now," he said, "I have had no reports about opposition (election malpractice), it is impossible till now because they have no power, no money, all the money and all the power are in the hands of those in power."

#### RADIO REPORTS ARRIVAL OF U.S. OBSERVERS

HK050405 Manila Far East Broadcasting Company in English 2300 GMT 4 Feb 86

[Text] The 44-man bipartisan international observers delegation from the United States will converge in Manila today [5 February]. They will map out final plans for their countrywide observation of the electoral process on Friday when 25 million Filipinos go to the polls. The mission is composed of representatives from Democratic and Republic Parties in the United States. The delegation is separate and independent from the official observer teams named by American President Reagan last January 30th. An advance party of the joint observer group arrived in Manila earlier to arrange meetings with the Comelec, Namfrel, and leaders of the major political parties in the Philippines.

#### 3 PAPERS SET TO AID COMELEC IN POLL COUNT

HK030851 Manila BULLETIN TODAY in English 1 Feb 86 pp 1, 15

[Text] "Media Poll Count '86" is all set for the Feb. 7 elections. Juan A. Perez Jr., project chairman, said yesterday that coordinators for all the provinces have been appointed. He said that teams have been sent to the provinces to give final instructions to all those involved in the poll count.

"Media Poll Count '86," organized by BULLETIN TODAY, DAILY EXPRESS, and TIMES JOURNAL, will help the Commission on Elections (Comelec), gather election results nationwide for the benefit of the readers of the three publications and other media outlets. The three newspapers, which pooled their resources to undertake the project, are being supported by civic organizations, local publishers and radio station managers and by the Association of Filipino Journalists.

Perez also announced the appointments of Dr. Antonio M. Guazon, a prominent medical practitioner and former president of the Rotary Club of Bacolod North, as provincial coordinator for Negros Occidental; and Dr. Orville T. Paez, a prominent physician and former officer of the Rotary Club, as coordinator for Negros Del Norte.

#### SURVEY SHOWS MARCOS WILL WIN 'OVERWHELMINGLY'

HK041037 Manila BULELTIN TODAY in English 3 Feb 86 pp 1, 12

[By Leonardo Belen]

[Text] The results of the latest Consumer Pulse (CPI) survey have confirmed previous findings of three other prestigious groups that President Marcos will win overwhelmingly in the Feb. 7 election. CPI, in a survey released Saturday, said 45 percent of its 3,400 respondents nationwide gave the president a margin of up to 19 percent over opposition candidate Corazon Aquino.

The Manila-based private research group, is affiliated with research houses in the Association of Southeast Asian Nations (ASEAN) region and London.



CPI said only 26 percent of the respondents chose Mrs. Aquino while 29 percent remained undecided or declined to disclose their preference.

The findings hewed closely to three previous opinion surveys conducted in accordance with established social science methods and statistical analysis. The three were the Bishops-Businessmen's Conference last year in which 52 percent said "many or very many" will vote for Mr. Marcos if he ran again, and 37 percent who said "few or very few" will vote for him; The Philippine Social Science Council survey in December which said 44.4 percent trusted President for his leadership against 21 percent for Mrs. Aquino; and the UP [University of Philippines] scholars' survey which predicted the President will win by 16 percent over Aquino by a 53-37 margin, with 10 percent abstention.

The survey's methodology involved door-to-door personal interviews with male and female representing all economic classes in 11 regions of the country. Sampling design involved a "stratified, multi-staged random selection, procedure" with separate urban and rural samples. Asked who they think will win in the election, 62 percent of respondents picked Mr. Marcos 29 percent selected Mrs. Aquino, while 31 percent declined to make any prediction. [figures as published]

In the vice presidential race, 49 percent of the respondents said MP Arturo M. Tolentino will win compared to 38 percent for opposition candidate Salvador Laurel, while 13 percent declined to make any comment. Asked who they will vote for, 36 percent said they were for Tolentino and 31 percent for Laurel, while 33 percent did not express any preference

CPI said the number of abstentions, if presumed to vote the same way as the total voting population, would show a ratio of 63-37 percent in favor of Mr. Marcos. If the number of abstentions is the other way around, it could result in a close contest.

Majority of the respondents predicted a Marcos victory principally "because of his political experience and capabilities." Those who selected Aquino based their decision on "the perception that people wanted a change in government." The opinion that the President will win reelection held true across "all segments of the population, with a few exceptions and some variations in terms of intensities," CPI said. While the 'Solid North' as expected gave the President a 9-1 odds of winning, Bicol, an opposition bailiwick, gave the odds to Aquino. Other areas where CPI projected a close fight are Central and Western Visayas.

Significantly, 61 percent of respondents in Metro Manila, supposedly an opposition city, believed Mr. Marcos will win against 26 percent for Mrs. Aquino, with 13 percent not stating their preference. The survey did not show any difference in perceptions of a Marcos victory both in the rural and urban areas. It revealed that more women (65-26) predicted the victory of Mr. Marcos over Mrs. Aquino than men (59-33).

The President's strongest points with the voters, according to CPI, were intellectual superiority, leadership, political experience, familiarity with government structure, and his accomplishments.

In the case of Mrs. Aquino, the CPI said she "appears to be relatively unknown to the voters, such that the ratings she obtained indicate a substantial proportion of natural scores."

A team of four supervisors, eight team leaders, and 83 trained interviewers were fielded throughout the country -- 50 in Manila and Luzon and 33 in Visayas and Mindanao -- for almost a week to sample voter preference. The raw data were weighted in tabulation to make the resulting totals responsible representative of the total population. In line with CPI practice, at least 10 percent of all interviews were observed and 20 percent of the balance were back checked.

President Marcos led Mrs. Corazon Aquino two to one in a mock election conducted yesterday by the Kapisanan ng mga Direktor ny Pilikulang Pilipino [Association of Philippine Film Directors, KDPP] among its members after its general meeting.

MP Arturo Tolentino topped the vice presidential race in the straw vote called by Leroy Salvador, KDPP president. Marcos garnered 28 votes, while Aquino got 15. Tolentino got 29 votes, while Salvador Laurel got 11 votes. The counting was supervised by Directors Laurice Guillen, Antonio Pascua and Eddie Infante. The directors said they were for Mr. Marcos for his various efforts to improve the movie industry.

#### EDITORIAL ON HOPES FOR PEACEFUL ELECTION DAY

HK040859 Manila METRO MANILA TIMES in English 1 Feb 86 p 4

[Editorial: "Toward Peaceful Polls"]

[Text] New assurances were given by Lt. Gen. Fidel V. Ramos, who heads the PC-INP [Philippine Constabulary-Integrated National Police] command, during a talk the other day before members of his command. He vowed that all shall be done to make the Feb. 7 elections as peaceful and orderly as the last national elections when members of the Batasang Pambansa were chosen by the people.

We have reason to believe the assurances of the PC chief, who is certainly doing all he can to bring about a peaceful climate come election day. As of now, the outbursts of violence have been few, as compared with election season violence in the years before martial law was even dreamed of as a way of cooling down on overheated nation. So far, most of the violence we hear of were committed by outlaws, more often than not by the New People's Army assassin squads, or roving raiders. The latest victim was the municipal mayor of a Camarines Sur town, who was apparently executed by two gunmen, and which bore all the earmarks of an NPA rubout.

In Makati, Metro Manila, the mayor has ordered a manhunt for the sources of the threats to kill him, believed to be members of the NPA Sparrow Unit, which is a special force of assassins. Even Nora Aunor, one of the country's world class enterainers, has been receiving death threats ever since she openly declared herself for the KBL presidential and vice presidential candidates. The President himself has ordered that a security shield be provided by the government for the singer and actress.

It will be noticed that the victims and would-be victims of deliberate violence are either members of the KBL, including local officials who are KBL men, or plain citizens who have been helpful to the KBL campaign. The few among the opposition groups who were killed turned out to be victims of personal feuds, not really killed for political reasons. So, not counting the threat of violence from subversives or out and out communist groups, the election season thus far has been fairly peaceful, and we believe Gen. Ramos' assurances of an unmarred election day. Although it might turn out in foreign media reports that our elections were volcanic. From the behavior of some of these visitors, one fears that these newsmen are inclined to violence, and would like nothing better than to report that our elections were filled with just that. All the more reason why all should be done to damp down any situation that might prove explosive.

President Marcos and other KBL leaders have repeatedly called on their followers to desist from marring the elections with any show of force, now, on election day, or after.

We have yet to hear the opposition leaders importuning their followers to do the same. It would be so much better for all of us if the two contending parties cooperated in this one area at least, that of making peaceful polls inevitable.

#### MARCOS ORDERS INCENTIVES FOR OVERSEAS EMPLOYMENT

HK040839 Manila BULLETIN TODAY in English 3 Feb 86 p 21

[By J. C. Concepcion]

[Text] President Marcos has directed the Central Bank, the Ministry of Labor and Employment, Ministry of Trade and Industry, Ministry of Tourism and the Philippine Air Lines to set up a system of incentives for overseas employment agencies and other legitimate participants in the overseas employment program on the basis of their job generation and foreign exchange capabilities.

The Presidential directive was contained in Letter of Instructions No. 1514 issued late last month. The establishment of the incentive system, as ordered by the President, will include the following:

- Exemption from travel tax while undertaking market development and promotion efforts.
- A market subsidy scheme subject to performance guidelines.
- Discounts from the national carrier during market development and promotion efforts.
- Availment of incentives such as are being granted to service exporters under the Board of Investments.

The President has ordered the heads of the five agencies to transmit the system of incentives to the Office of the President within 60 days together with the implementing guidelines. Filipino overseas workers contributed in some \$800 million in 1985 to the country's total foreign exchange earnings.

#### PHILSUMA TO BEGIN PURCHASES WITH RELEASED FUNDS

HK040717 Manila BULLETIN TODAY in English 3 Feb 86 p 5

[Text] The Philippine Sugar Marketing Corp. (Philsuma) announced yesterday that it will start buying this week domestic sugar at P300 per picul. In a press statement, Philsuma said that the P250 million ordered released by President Marcos from the Casino trust fund was already available.

The release of the money was expedited in the face of reports that sugar was sold for as low as P252 a picul in some mill districts last week. The low domestic price according to Philsuma level, is occasioned by an oversupply in the domestic market which usually happens during the peak of the milling season from December to April. This depressed condition of the sugar industry has adversely affected producers and workers alike. But this has been quickly alleviated with the president's decision to release P250 million to Philsuma during rallies held by the Marcos-Tolentino team in the cities of Bacolod and Iloilo.

Former Assemblyman Fred Elizalde, Philsuma president, said that the entry of Philsuma into the domestic market "should help restore the sugar producers' viability and alleviate both the social and economic problems in the industry."



NFA CANCELS IMPORT OF SUBSIDIZED U.S. WHEAT

HK050437 Manila BUSINESS DAY in English 4 Feb 86 p 25

[By Julie C. Del Castillo]

[Text] The National Food Authority (NFA) Friday canceled its earlier commitment to allow the local flour mills to import half of the 150,000-metric ton subsidized wheat being offered by the U.S. to the Philippines, NFA sources said last week. The sources told BUSINESS DAY that in an apparent change of heart, the NFA has decided to call a meeting early this week between the mills and Philippine Bakers [Philbake], Inc. (the P20-million trading arm of the local bakers federation supported by businessman Eduardo M. Cojuangco Jr.) to discuss the U.S. offer.

The Philippine Association of Flour Millers, Inc. [Pafmil] two weeks ago asked the NFA to authorize the mills, through Pafmil, to import all of 150,000 metric tons primarily because of the \$3 million it would save the mills in import payments and because it was Pafmil which requested the U.S. Department of Agriculture [USDA] for the subsidy. The NFA, however, advised the mills last Jan. 23 that they could only avail of 75,000 tons from the total volume. The food agency did not give any reason for halving the imports.

The sources said the NFA Friday said it could not authorize the mills' importations until it has first met with both Pafmil and Philbake. The mills appear to be in a hurry to avail of USDA's subsidized wheat offer because of the rise in flour consumption after the NFA relinquished flour distribution and wheat importation back to the private sector last year. Industry sources noted that national flour consumption has risen to an average of 2.4 million tons a month during the past months, compared to an average of about 1.6-1.8 million tons during the years of NFA's monopoly over wheat imports and flour marketing.

The higher demand would thus necessitate more wheat imports by the mills, although this has been previously limited by the NFA to only about 350,000 long tons for the entire year. On the other hand, wheat suppliers said the Philippines may lose the USDA subsidies unless the country imports the wheat soon. Suppliers said the subsidy to the Philippines (which the USDA is granting under its export enhancement or "export bonus" program) is now being criticized widely both in the U.S. and other countries, particularly the European Economic Community (EEC). The USDA program is in retaliation to the EEC governments' subsidies for their agricultural exports.

A major criticism against the subsidy is that the EC does not pose a direct threat to the U.S. for wheat sales in small markets such as the Philippines. The mills asked for the subsidies following the USDA's granting at similar subsidized sale of flour totaling 100,000 metric tons to the Philippines. Of the volume, Philbake had imported some 50,000 metric tons last year. The subsidized flour sale to the Philippines, also made by the U.S. under the export enhancement or "export bonus" program, was aimed at matching an earlier sale to the Philippines of some 35,000 metric tons of flour by West Germany to Philbake.

If the NFA decides to allocate part of the USDA wheat offer to Philbake, one possible arrangement is for the bakers' firm to sell the wheat to the mills for processing.

Philbake last year proposed to flour millers a "toll milling system wherein the bakers' federation, through Philbake, would import the wheat which the mills could in turn process into flour. Millers could then charge Philbake a milling fee. The mills, however, rejected the proposal.

NFA TO PURCHASE FROM FARM GROUPS, NOT INDIVIDUALS

HK040713 Manila BULLETIN TODAY in English 2 Feb 86 p 25

[Text] The National Food Authority (NFA) is embarking on a new scheme of procurement that would eventually phase out direct government purchase of farm goods from individual farmers.

NFA administrator Jesus Tanchanco said that starting this year the NFA would focus on buying from farmers associations of cooperatives instead of individual farmers to encourage the formation of business-oriented farm organization. By 1989, the NFA hopes to entirely phase out purchases of farm goods from individual farmers on the assumption that by that year, the country would have strengthened and formed financially viable agricultural cooperatives.

Tanchanco, however, said the NFA would still be buying from individual farmers in places where farm groups are still weak and still unorganized. The new scheme would make NFA domestic sourcing of buffer stocks more cost-efficient since it would do away with dealing with millions of individual farmers. The new scheme would also dovetail with provisions in the recently issued Presidential Decree 2008 granting farmers cooperative priority in supplying government of farm stocks.

WE FORUM INTERVIEWS BAYAN LEADER ON BOYCOTT

HK281410 Quezon City WE FORUM in English 14-20 Jan 86 p 15

[By Sonia G. Dipasupil]

[Text] For a people so enmeshed in an economic and political crisis that promotes no let-up, an election is just as good an excuse as a circus, many believe an election gives one a shot at changing unpopular leaders, and along with them, the country's fortunes. Hence, the so-called "groundswell" of support for this election's leading opposition candidates.

Against this backdrop has emerged a movement that agrees the election is indeed a circus, but one at the people's expense, and therefore should be ignored. And this difference in opinion is precisely what makes the boycott movement and its proponents political deviants in the current election scene.

"What is popular may not necessarily be what is correct," observes J. V. Bautista, chairman of the electoral struggle commission of Bayan [New People's Alliance], the prime mover behind the boycott campaign, who adds hastily that Bayan's boycott position needs no defending because it is a "just and principled option."

Nonetheless, recent developments threaten to question the very legitimacy of the boycott move as a valid political option. Notably, these are the growing popularity of participation in the presidential polls as a mode of ousting the incumbent, labor minister Ople's politically divisive but brilliantly calculated statement that "a boycott vote is a vote for Marcos" and the recent flurry of applications for resignation and leave of absence by Bayan members opting for participation being experienced by the two-million strong organization.

Bautista sat down with WE FORUM to discuss exactly to what extent these developments will affect Bayan's boycott position and effectively dislodge it from the shortening list of political options. The following are excerpts from that talk:

WE FORUM [WF]: How successful do you think this boycott move will be in terms of persuading people not to cast their vote? How different is it or will it be from past boycott movements?

Bautista [B]: In this boycott move, we are not interested in a headcount or in how many people will ultimately boycott the elections. This is the substantial difference from past boycott movements when we were too concerned about figures. This time, that is not our primary objective. Our main goal is to use the occasion to widen the people's political education and go expand our organization. We have no illusions that the majority of the people will boycott. As long as we are able to make people understand that there is an alternative to voting as a means of getting rid of the dictatorship, I think we would have already achieved a gain. To bring down the U.S.-Marcos dictatorship requires a combination of various forms of critical action, which includes the electoral struggle, but not merely by participating in a game deliberately called by Marcos precisely to realize his own intentions.

WF: Bayan has announced it will boycott only this election but take part in the '86 local polls. How do you reconcile these two positions? Does this not open you to charges of being politically inconsistent?

B: Had the presidential election been called in 1987 as scheduled, then we would have participated, because it was preceded by the local elections. We intended to contest local positions in the '86 polls, and assuming we succeeded in a great number of positions in the provincial, town and city levels, then, given the time to politicize more people, broaden our organizations and capture more local seats of political power, then we would have been in a better position to challenge the dictatorship through electoral means. In a sense, by boycotting the elections, we are still engaging in a form of electoral struggle, although we are not directly contesting the position of the presidency. We want to present to the people our view that they should not cast their vote, for that is an implicit recognition of the legitimacy of this particular election. That's why we are very careful about qualifying that the boycott position taken by Bayan refers particularly to this election. As a rule, we don't reject elections per se.

WF: You admit a majority will still opt for participation, but claim that "what is presently popular may not necessarily be correct". By implication, you are saying that Bayan's boycott position is the correct political option. Considering that many are for participation in the polls, and the boycott movement stands as an obvious minority, won't that appear like you are foisting your will on the people, whom you are supposed to represent?

B: We are looking at present conditions very closely to determine how real is the impression created by the so-called grounds well of support for the opposition candidates. I don't think we're really foisting on the people Bayan's position when it says it is going to actively boycott. I think people have resolved a long time ago to get rid of Marcos and his regime. The only question at this point in time is how to do it, and the election puts in sharp focus the question of how to go about dismantling the dictatorship. You cannot dismantle a dictatorship in a specific activity which is deliberately called for because it knows it can manipulate the activity. You can do it only through a combination of various forms of action. We think someone must be able to show the people an alternative course of action no matter how unpopular at present. Being a politically advanced sector in the mass movement, Bayan has a responsibility to project its own analysis and alternative course of action to our people. People do not have to go along with something just because it is popular. History has shown and proven that very often, it is really an organized minority acting as a vanguard which has led people's movements into victory.

WF: How does Bayan view the withdrawal of some of its members from the group to participate in the February polls?



B: This is inherent in the nature of the organization. Bayan is composed of a very broad coalition of people from various political groups, social classes and sectors carrying varied political lines and ideologies. The possibility is always there that not everyone will agree with the decision of the majority. Most of those in the leadership -- although there are only quite a few -- who have taken a leave of absence are people who have been quite active one way or another in political parties in the past, like politicians and some professionals. There is no significant, similar trend when it comes to the basic sectors like the peasants and the workers. So even if some people are of the opinion that they would like to participate for the simple reason that that is the mode of action they can accept to oppose the dictatorship, it does not automatically mean that Bayan should abdicate its role of providing an alternative course of action.

WF: What do you think will be the results of this election?

B: This election falls consistently within the gameplan of the U.S. to strengthen the status quo. Objectively speaking, whatever the results of the election may be, there will be, as hoped for by the people who are participating, a strengthening of the political center of the so-called traditional political parties. After this election, whether or not the opposition wins, the opposition, who actually represents the moderate sector of the anti-dictatorship groups, will gain a position of leadership in the protest move against Marcos. Many of the more sophisticated people in the opposition know they cannot defeat Marcos in this election. I think there is more to their having participated in the election than harboring real hopes for victory. Of course, a victory would be the best deal they can get, but I think many of them are pragmatic enough to see they will not really win. Their objective would be more of consolidating their own leadership of the protest movement against Marcos, which has been in the hands of the more militant forces of the anti-dictatorship front in the past years.

JF: What is the policy of Bayan regarding the opposition candidates?

B: We would like to think that many of those who are participating in the election and campaigning for the opposition candidates are really sincere and patriotic. However, I am personally disappointed with what I have seen so far of the opposition candidates' program of action, along with their pronouncements. I think Bayan itself will not be happy with the compromises they have entered into, where originally pro-people and nationalist positions taken earlier have been substantially watered down. Cory's present program is not very encouraging. We realize, of course, that the Marcos dictatorship is still the greater evil which, along with its imperialist (U.S.) backing, must be extricated from our body politic. The people's attention must be focused on this issue precisely. All our attacks must be directed against the U.S.-Marcos dictatorship, and should we find a need to criticize the opposition candidates, let it remain only as constructive criticism which can be translated into challenges to improve their programs to be more responsive to the needs of the people and to the historical interest of the Filipinos for national freedom, popular democracy and justice. In the course of our campaign, we are not going to attack the opposition candidates as we are going to attack the U.S.-Marcos dictatorship. But if we perceive that the opposition candidates are entertaining U.S. support only to be voted into office we are certainly going to oppose and expose that. This election is not the contest. It is not the battleground between the dictatorship and the Filipino people as some would claim. We should not be so naive as to think that the struggle ends on February 7 if Marcos loses in the balloting. There is more to dismantling a dictatorship than just voting it out of office.

9 SOLDIERS KILLED IN RAID NORTH OF MANILA

OW041213 Tokyo KYODO in English 1207 GMT 4 Feb 86

[Text] Manila, Feb. 4 KYODO -- Fourteen soldiers of the Philippine Armed Forces were killed and nine others were wounded Monday in three separate ambushes by the communist New People's Army (NPA), Philippine Constabulary (PC) said Tuesday.

The PC said that NPA members fired upon a PC patrol while it was negotiating a blind curve in the national highway at Nambaran in the sub-province of Kalinga Apayao north of Manila killing nine and wounding four others. In the same sub-province, two Army soldiers on vacation were shot dead allegedly also by the NPA.

PC reports also revealed three Scout Rangers killed and three more wounded in an ambush by 150 members of the NPA in eastern Samar. The soldiers were reported to be also in a vehicle when they were ambushed.

The NPA, a 15,000-strong-guerilla force which has been fighting President Ferdinand Marcos' government for nearly 17 years, is believed to be initiating the ambushes as part of its announced nationwide tactical offensives during the current campaign for the country's February 7 presidential elections.

MILITARY STEPS UP GUERRILLA WARFARE TRAINING

HK220043 Manila Far East Broadcasting Company in English 2300 GMT 21 Jan 86

[Text] The military is beefing up its Scout Ranger special elite force and is developing Fort Capinpin in the outskirts of Metro Manila as a big training base for guerilla warfare. Brigadier General Felix (Brona), Armed Forces deputy chief of staff for operations and commanding general of the 1st Scout Ranger Regiment, said two more battalions are programmed to be organized this year. The two battalions will increase the present complement of our battalions, each with three companies, including command and service support elements.

NEW PC COMMANDER FOR NEGROS OCCIDENTAL NAMED

HK160135 Quezon City ANG PAHAYAGANG MALAYA in English 6 Jan 86 p 9

[By Edgar Cadagat]

[Text] Bacolod City -- Controversial but colorful Constabulary officer Col Francisco Agudon has been reassigned as provincial commander for Negros Occidental, after his retirement last year.

This was disclosed recently by Col Arnulfo Obillos, outgoing PC Provincial Commander, in an interview with a local daily, the VISAYAN DAILY STAR. Obillos told the STAR he had been relieved of his post effective Dec 25. He added that he would be replaced by Col Agudon, who, according to earlier reports, was "reactivated" by President Marcos.

MALAYA gathered that this would be the third time that Agudon would assume the post as PC provincial commander, having been relieved some years ago after charges were filed against him in connection with the death of a PC soldier and several CHDF [Civilian Home Defense Force] members who had earlier taken over control of the Isabela town hall, in an effort to air what they perceived were unattended grievances.

He was, however, reinstated some months later when he was cleared of charges filed against him. He then went on to reassume his old post, until his forced retirement last year.

Political observers view Agudon's reassignment as part of the military revamp to install Marcos loyalists in key provincial posts. It is also viewed by many as having something to do with the coming presidential election.

Agudon has had a very colorful career as a military officer, having been assigned to various positions in the military service, including the Metrocom [Metropolitan Command], the Anti-Hijacking Units, and as provincial commander.

#### 16 TROOPS, 1 NPA KILLED IN NEGROS AMBUSHES

HK040831 Manila BULLETIN TODAY in English 3 Feb p 18

[By Primo Esleyer]

[Text] Bacolod City -- Sixteen government troopers, one rebel, and one civilian were killed while two policemen and two militiamen were wounded in two New People's Army (NPA) ambushes Friday and Sunday morning in Negros Occidental.

Military reports said an NPA group ambushed and killed two policemen, two Civilian Home Defense Force (CHDF) men, and one Army Scout Ranger in Barangay Capitan Ramon, Silay City, 20 kilometers north of Bacolod, last Friday. An NPA leader was also killed while two other policemen and two militiamen were wounded.

In Barangay Payao, Binalbagan town, 11 soldiers of the 7th Army Infantry Battalion and a soldier's wife were killed when they were ambushed by rebels on their way to headquarters from a public market. Sources close to Task Force Sugarland failed to reveal the identities of the victims as operations against the rebels were still going on at press time.

NPAs, hidden in foxholes, were preparing for an ambush of Silay City Mayor Natalio Velez, who was scheduled to campaign for the Kilusang Bagong Lipunan (KBL) party in Barangay Capitan Ramon. Their victims were in the advance party of the mayor.

Killed were Pat. Reyando Carian and Pat. Juancho Medina, Scout Ranger Nelso Magbanua, and Dominador Nepomuceno and Ricardo Palma, CHDF members. Wounded were Lt. Jose David and Pat. Raul Antiporda of the Silay police. The slain rebel was identified as Glen Javerto of Tugoso, Negros del Norte. Police said 11 NPA members were captured after the ambush. They were not immediately identified.

#### NPA 'DEATH SQUADS' REPORTED IN BICOL REGION

HK270955 Manila METRO MANILA TIMES in English 24 Jan 86 pp 1, 5

[Text] "Death Squads" of the New People's Army (NPA), made up of young men and women with a mission to liquidate local government officials, military men, and policemen, are said to be roaming the Bicol Region.



Brig. Gen. Renato de Villa, Region 5 military commander, revealed that members of the NPA death squads wore civilian clothes, their ages ranging from 16 to 19 years. Mostly fresh recruits, they are armed with highpowered guns, he said. The local military command said the death squads have killed 85 persons, including 44 militiamen and policemen, in the past months, wounding 73 civilians and government troops. Slain soldiers were also robbed of their firearms, it was reported.

Among the latest victims was Cpl. Tomas Rinon who was gunned down in Daraga, Albay, last January 6. Rinon was on his way to a sari-sari [sundries] store to buy cigarettes when three young boys called out his name. As Rinon turned around to look at them, shots rang out. De Villa said one of the squad members was arrested recently. He is now facing a murder charge in court.

The local command has put up an intelligence network to break the murder squads. De Villa added that as a result of the counterinsurgency drive in Bicol, 74 rebels were killed while 174 others were wounded in 1985.

In Manila, meanwhile, the military command warned of communist rebel attacks in the capital designed to disrupt the February 7 elections. The command claimed that a large number of rebels had arrived in the city to carry out a terror campaign. It added that movable checkpoints had been set up by military and police forces to foil any attempts. Military authorities said armed guerrillas from the outlawed New People's Army had been sent to the capital and other built-up areas with orders to stage urban warfare. Command chief Major General Prospero Olivas has also sent out special strike forces to track down communist dissidents who have reportedly killed a number of policemen and soldiers.

Over the past 10 days, some 60 people have been killed in violent incidents in or near known communist hideouts in the hinterlands of Cagayan, Kalinga-Apayao, Negros, Iloilo, Quezon, Bicol and Mindanao.

#### 8 NPA REPORTED KILLED IN VISAYAS REGION

HK241009 Quezon City Maharlika Broadcasting System in English 0800 GMT 24 Jan 86

[Text] Eight suspected members of the NPA were reported killed in various encounters with military patrols this week. Two of the fatalities were slain in an encounter with soldiers in Barangay (?Huyapyao), Patnongon, Antique. Military report said the two were members of the 20-man NPA group led by (Christian Boroa), alias Commander Weweng.

In Capiz, an NPA commander was killed while four other rebels were captured in Barangay (East Villaflor), Maayon Town. Panay task force Commander Colonel (Joe Mayo Jr) identified the slain NPA leader as (Eleuterio Dumapit), alias Commander Terrio.

In Negros Occidental, five suspected NPA members were killed in clash with army troopers in Barangay Cartagena, Sipalay Town.

#### 21 NPA REBELS REPORTED KILLED IN DAVAO BATTLE

HK221535 Davao City THE MINDANAO DAILY MIRROR in English 10 Jan 86 pp 1, 6

[By Kitz Rimando]

[Text] Davao City -- Twenty-one rebels died yesterday in a 3-hour gunbattle that raged till noon as elite Scout Ranger teams under Col. Marcelo H. Bando of Task Group Panther swooped down on a New People's Army camp at Barangay Barile, Maco, Davao del Norte.

According to a military source, members of an NPA group of 80 heavily armed men, the slain rebels yielded highpowered arms including a Browning Automatic Rifle (BAR), three Armalite assault guns and four Garand rifles.

RUC commanding general Brig. Gen. Jaime C. Echevarria said the big raid was the year's first major blow against communist plans to disrupt and discredit the crucial Feb. 7 polls this year.

Other recovered items included eight combat packs, 100 rounds of assorted ammunition, an unspecified number of M16 magazines, bandoliers and personal belongings. The camp itself was littered with bundles of subversive documents, according to RUC operations chief Col. Honesto Bumanglag.

The rebels fled after three hours but found themselves the target of cannonfire spewing from the 8th Field Artillery Battery (FAB), which had been deployed at nearby Barangay Elizalde with their light, recoilless 105 MM howitzers. Barangay Elizalde is 30 kms northeast of Tagum, capital of Davao de Norte and 8 kms south of Masara Mines.

It was not immediately known whether any of the 20 shells fired hit home. If so, rebel casualties could double, said Bumanglag.

The Scout Ranger teams -- led by Sgt. Doctor, Sgt. Bunagan emerged out of the 3-hour battle without a scratch.

#### REBELS ATTACK TOWN IN ZAMBOANGA; 14 SLAIN

HK171115 Manila PHILIPPINE DAILY EXPRESS in English 16 Jan 86 p 1

[By Roy Ramos]

[Text] Zamboanga City -- Residents and militiamen of Barangay Paludo in Roxas Town, Zamboanga del Norte repulsed Monday an attack by 300 suspected rebels, killing 12 of the attackers. Two militiamen were also killed in the seven hour clash, while several others were wounded.

Brig. Gen. Jose Magno Jr., Regional Unified Command chief, said the rebels attacked the barangay about 4:30 p.m. but residents of militiamen of Sitios Sindutan, Capase, and Tinaa there held them with heavy gunfire.

The rebels were forced to withdraw and took a carbine belonging to Elpidio Aga, one of the slain militiamen. The other fatality was Siyu Aga, Magno said.

Wounded militiamen Robellon Calubag, Democrito Mata, and Romeo Aga, were taken to a Dipolog City hospital. The identities of the 12 slain rebels were not immediately known.

#### NPA KILLS 11 IN BATAAN, S. COTABATO RAIDS

HK170901 Manila TIMES JOURNAL in English 16 Jan 86 p 3

[Text] Eleven people, seven of them Civilian Home Defense Force [CHDF] members, were killed in separate insurgency-related incidents Saturday and Sunday in Bataan and South Cotabato.

Also in Bataan, about 100 New People's Army guerrillas, most of them in military fatigue uniform, took six carbines and a Garand rifle from the houses of eight CHDF members in the hinterland baranggay of Roosevelt, some 10 kilometers away from the Dinalupihan town proper, Monday night.

Last Sunday, about the same number of NPA rebels swooped down on a CHDF camp in Sitio Pongcol Basag, Baraggay Pag-asa, Alabel, South Cotabato, and gunned down four CHDF members and wounded another in a fierce shootout. At least one rebel was killed and an undetermined number of others were wounded in the gunbattle.

Killed were CHDF members Ireneo and Dionisio de la Cruz, Rogelio Larriosa and Benigno Quirante. Wounded was CHDF man Donato Delostrino. The rebels took from the camp three Garand rifles and a Browning automatic rifle.

At around 8 a.m. last Saturday, NPA rebels, numbering about 100 also ambushed three CHDF teams and killed three of the militiamen in Sitio Montilla, Baranggay Lon Padidu, Malapatan, South Cotabato. The victims were not identified.

TIMES JOURNAL correspondent Raffy Viray reported that unidentified men believed by the military to be NPA men, killed a CHDF member, a fishpond helper and a farmer in separate incidents in Bataan last Saturday. Viray also reported that the NPA raid on Baranggay Roosevelt, Dinalupihan, Bataan, last Monday was one of the most coordinated attacks by the subversives in the province for the last five years. It was over in about 30 minutes.

The raiders came at around 6:30 p.m. Some of them took three CHDF men -- Federico Retuya, Miguel Manalastas and Jose Santos -- as hostages as the rest of the band ransacked the houses of all the militiamen in the baranggay. They took the three CHDF men with them but released them unharmed later when they sensed that no soldiers were on their trail as they retreated to the Zambales mountain.

A belated report reaching Camp Aguinaldo yesterday said that a baranggay captain, identified as Arisogon D. Manaligod, was shot to death by 30 unidentified men in Baranggay Naglalasawan, Amulong, Cagayan, last Jan. 4.

#### BODIES OF 15 ALLEGED NPA VICTIMS EXHUMED

HK030847 Manila BULLETIN TODAY in English 1 Feb 86 p 8

[By Tony Rimando]

[Text] Cotabato City -- At least 15 bodies of persons believed victims of rebel atrocities were exhumed late last week by the military in three common graves in the outskirts of Iligan City. Brig. Gen. Cesar Tapia, regional unified commander, said the bodies, most of them decomposing, were believed those of 15 of the 37 persons reported missing in Iligan for the past several weeks.

The common graves, Tapia said, were pin-pointed to Col. Manuel Cacanando, Army 2nd Infantry Brigade commander, by leaders of 7,500 members and supporters of the New People's Army (NPA) who surrendered to military and civilian authorities the other day in Kapatagan town, Lanao del Norte.

Most of the victims were reportedly liquidated by members of the NPA liquidation squad allegedly due to their refusal to give money and food to the rebels.



Meanwhile, member of Parliament Carlos Cajelo, defense deputy minister, assured government assistance for the surrenderees. Cajelo said the government has an on-going program for dissidents who returned to the fold of the law. Many of the rebels told Cajelo they were tricked by the rebels into joining the NPA way back in 1973. The returnees denounced communism as a way of life and pledged to help the government in its peace and order campaign.

#### NPA RAIDS TAKE 44 FIREARMS, KILL 2 SOLDIERS

HK200038 Manila Far East Broadcasting Company in English 2300 GMT 19 Jan 86

[Text] The communist New People's Army took a total of 44 firearms in raids the past 5 days that saw 2 government troopers killed in different parts of the country. Military authorities led by Armed Forces Chief of Staff General Fabian Ver earlier warned that the Communist Party of the Philippines is bent on disrupting the election through a campaign of terror, especially in the countryside.

The raids are believed part of an intensified campaign to get hold of arms launched by the underground communist movement in preparation for the elections.

The biggest haul of firearms made by the NPA was in Samar, where a big group of fully-armed dissidents raided a municipal building and a police station in Calbiga, and fled with 10 Garands taken from the arms stack of the police station.

#### COAST GUARD ON RED ALERT FOR NPA SEA RAIDS

HI271542 Manila PHILIPPINES DAILY EXPRESS in English 27 Jan 86 p 2

[Text] The Philippine Coast Guard said yesterday that the Bagong Navy ng Bayan [New People's Navy] (Banaba), the New People's Army major sea unit, is planning to launch massive raids in the northern part of the country reportedly to sow terror during the campaign period and on the election day.

At the same time the Coast Guard said it received information that the Banaba will transport a big shipment of explosives and high-powered guns in the vicinity of Apaconan river in Appari.

The rebels are reportedly armed with high-powered guns they took from raids in town halls of Pinuk pok, Biwag and Pacoo, Kalinga Apayao, the Coast Guard said.

All units of the Coast Guard district VII under Lt. Agapito Kacpal were placed under red alert following the discovery of the rebels plan to disrupt the campaign and the election.

Coast Guard sources said the rebels will sow terror in the provinces of Cagayan and Kalinga-Apayao. Northern Luzon was listed as the number one critical area. Military sources said that the Banaba will launch raids in Appari to snatch election registrations book and other Comelec [Commission on Elections] forms and materials.

Coast Guard reports said that last week, a band of rebels attacked and looted a town hall in Appari. They took arms and equipment belonging to the government, the report said. Coast Guard headquarters in Manila directed all their units in Luzon to undertake necessary measures to prevent another rebel attack.

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